

Commercial Banks in Bulgaria

April – June 2006



BULGARIAN
NATIONAL
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Abbreviations

BGN	–	The Abbreviation of the Redenominated lev
BNB	–	Bulgarian National Bank
Core ROA	–	Core Return on Assets
HHI	–	Herfindahl-Hirschman Index (Market Concentration Index)
ROA	–	Return on Assets
ROE	–	Return on Equity
RWA	–	Risk-weighted Assets
UBPR	–	Uniform Bank Performance Report

I. State of the Banking System

(second quarter of 2006)

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1. Introduction

This report includes analysis of major trends in the banking system during the second quarter of 2006. 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 small and medium-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 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 will continue to attract attention in analysing the profiles of relevant banks, and their significance for the bank group or banking system is not underestimated).

2. The Banking System

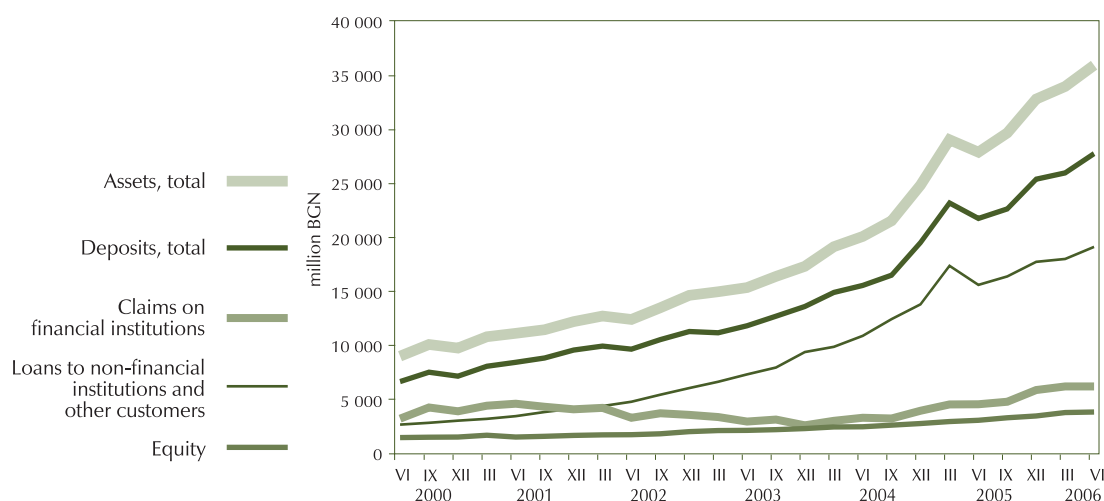
2.1. Structure, Changes, and Trends

Banking system balance sheet assets continued to increase moderately reaching BGN 35,987 million by the end of the first half of 2006. They grew by 28.9 per cent (BGN 8061 million) for a year and by 5.8 per cent (BGN 1974 million) on 31 March 2006. Compared with the same quarter of 2005, they showed an opposite dynamics owing to the fall of assets by 3.9 per cent (BGN 1147 million) reported in that period.¹ The quarterly growth of the banking system's balance sheet figure was financed mainly by the rise in deposits of non-financial institutions and other customers (by BGN 1736 million). Compared with 31 March 2006 the ten largest banks increased their market share by BGN 1019 million (4 per cent) and Group II institution by BGN 1058 million (14.2 per cent), while foreign bank branches reduced their assets by BGN 103 million (9.7 per cent).

¹ In the second quarter of 2005 banking system's asset management was strongly affected by the measures taken to curb credit growth. As a result, the system's net credit portfolio declined by BGN 1758 million (10.1 per cent) on the first quarter. The dramatic contraction in the deposit base (by BGN 1445 million or 6.2 per cent) reflects transfers of resources (mainly from abroad) received in March and their repayment in the second quarter.

Chart 1

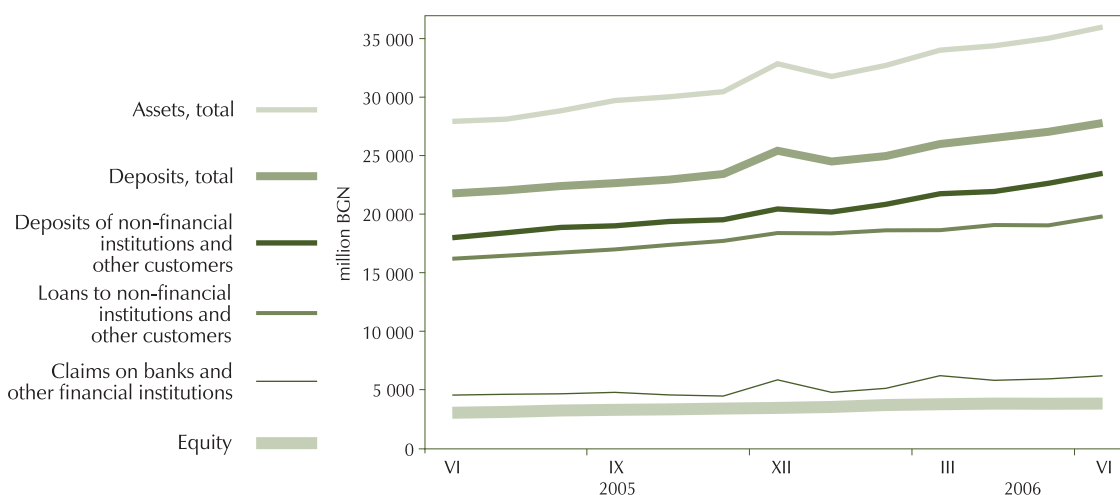
Dynamics of Major Balance Sheet Aggregates by Quarter



Within a year the system's assets picked up by BGN 8 billion, with the ten largest banks expanding their market position by BGN 5.7 billion (27.5 per cent) and Group II credit institutions by 2.8 billion (49.7 per cent). The decrease in the group of foreign bank branches by BGN 0.5 billion (33.6 per cent) reflects their reduced number.

Chart 2

Dynamics of Major Balance Sheet Aggregates



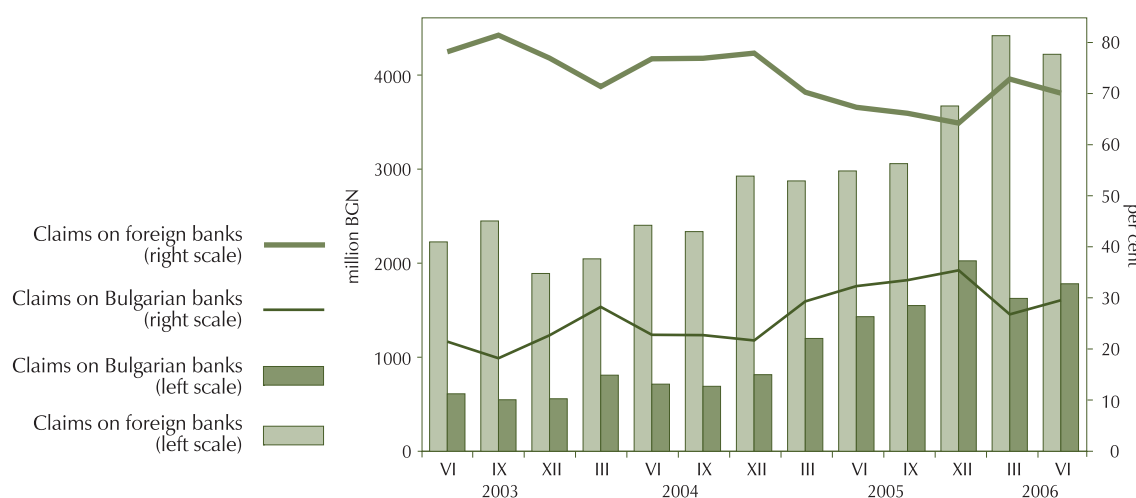
Changes in commercial bank balance sheet aggregates were as follows:

Cash was one of the most dynamic aggregates reporting a quarterly rise of BGN 672 million (19.5 per cent). Their share in the systems' assets went up by 1.3 percentage points to 11.5 per cent. The decrease in ten of the banks was offset by additional minimum reserves to the amount of BGN 998 million deposited by nine banks which had exceeded their limits by 31 March 2006.² The annual growth in this aggregate totaled BGN 1453 million or 54.4 per cent.

² Additional minimum required reserves deposited in the second quarter of 2006 exceeded those in the first quarter by BGN 314 million. As of 30 June 2006 additional minimum required reserves amounted to BGN 190 million and were formed by three banks.

The amount of *net claims on financial institutions* was almost sustained on the previous quarter (an insignificant decline of BGN 4 million or 0.1 per cent). However, the structure of placements was changed: time deposits with banks picked up (BGN 477 million or 10.3 per cent) at the expense of decreased demand deposits (BGN 528 million or 40.3 per cent). Another two segments of claims registered rises: *other claims on banks* (BGN 3 million or 39.3 per cent) and *loans of other financial institutions* (BGN 40 million or 27.4 per cent). Over the reporting period claims on foreign financial institutions went down by BGN 198 million (4.5 per cent) reflecting the fall in demand deposits with non-resident banks. By end-June 2006 demand and time deposits with foreign credit institutions contracted their share by nearly 3 percentage points and occupied 70.4 per cent of total deposits with banks (67.7 per cent a year earlier). By 30 June 2006 claims on foreign institutions totaled 68.2 per cent of total claims of banks on financial institutions (against 65.7 per cent a year earlier). Over the past 12 months claims on foreign banks increased by BGN 1241 million (41.6 per cent) including deposits of BGN 1226 million.

Chart 3
Claims on Financial Institutions



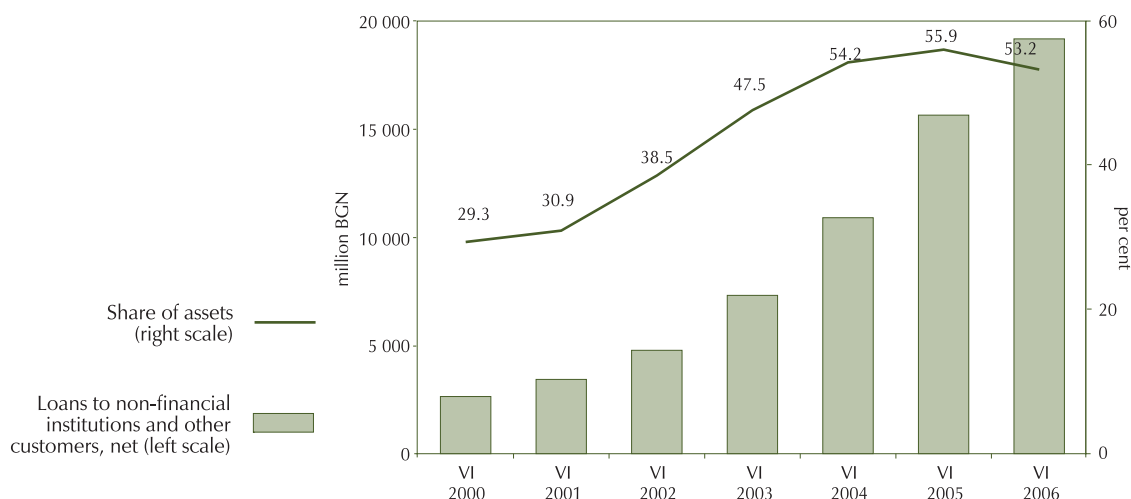
Assets in trading portfolio picked up slightly (by BGN 14 million or 0.7 per cent), their share in the system's deposits remaining almost unchanged (5.7 per cent). The rise in the positive fair value of derivatives held for trading by BGN 10 million contributed mostly to this growth. Unlike derivatives, the downward trend in the fair value of securities continued. Within the banking system, investments in securities of local issuers went up by BGN 26 million thanks to the increased interest in corporate securities, capital securities and hybrid instruments. The share of local issuers' securities in the total portfolio was slightly expanded to 92.2 per cent. By end-June 2006 the trading portfolio currency structure underwent no sizable changes, with 41.4 per cent of investments denominated in national currency, 35 per cent in euro and 23.6 per cent in other currencies.

Investment portfolio rose by 2.1 per cent or BGN 60 million on the previous quarter, while its share in the system's assets fell slightly to 8 per cent. The rise was due to small and medium-sized banks since Group I and Group III banks reported declines (trading portfolio's dynamics was opposite: a fall in Group II and a rise in the remaining groups). Securities denominated in levs were the factor behind the increasing investment portfolio since securities denominated in other currencies registered a fall. By the end of the second quarter the share of investments in national currency picked up to 39.1 per cent, while that of investments in euro decreased by 2 percentage points to 40 per cent.

The continuing practice of transferring part of credit portfolios did not conceal growth in *gross loans* at high rates (6.3 per cent or BGN 1172 million). In the March to June 2006 period loans amounting to BGN 858 million were subject to cession agreements. Of them, BGN 502 million (58.5 per cent) were reported in the balance sheets of foreign financial institutions. These banks transferred loans to enterprises amounting to BGN 666 million and loans to individuals comprising BGN 192 million. Following the cessions in the quarter under review, credit portfolios of the ten largest banks grew by BGN 890 million, those of Group II institutions by BGN 224 million and of foreign bank branches by BGN 58 million. The system's portfolio structure shows increases in all types of loans, with the exception of loans to the budget.

Chart 4

Loans to Non-financial Institutions and Other Customers



By 30 June 2006 the monthly banking system balance sheet reflects the gradual lifting of administrative restrictions on credit growth under Ordinance No. 21 announced on 1 June 2006.³ As early as June the system reported high monthly credit growth (4 per cent or BGN 764 million, of which BGN 483 million commercial loans and BGN 135 million housing loans).

Within a year gross loans went up by BGN 3621 million (22.4 per cent) of which BGN 2 billion (55.5 per cent) were extended to individuals. Small and medium-sized banks showed higher growth (29 per cent), although traditionally the bulk of loans was formed by Group I credit institutions.

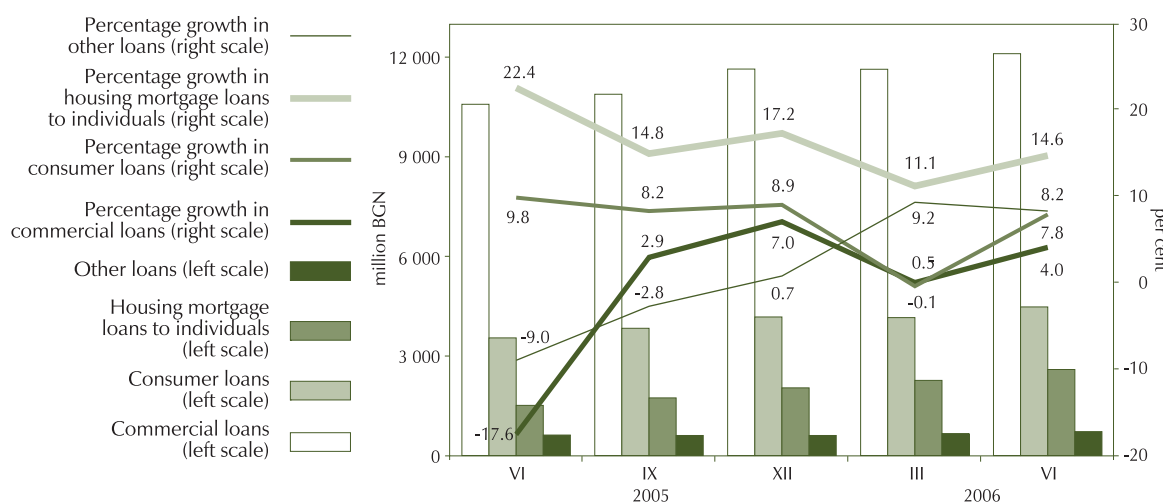
Compared with March 2006 *net loans* (total portfolio less the amount of allocated provisions) picked up by BGN 1125 million (6.3 per cent), their weight in assets reaching 53.2 per cent (55.9 per cent a year earlier). Within 12 months the balance sheet position went up by BGN 3517 million (22.5 per cent). The second quarter saw fewer banks with expanded net credit portfolio outstripping the average rate of 29 per cent provided for in Ordinance No. 21. Only three of the ten banks deposited additional minimum required reserves in August 2006 since they exceeded the second regulator as well.

³ Amendments to Ordinance No. 21 were followed by higher credit growth in the quarter under review (6.3 per cent) on the previous quarter (1.5 per cent), with the increase reported predominantly in the May to June period. During the last 12 months most institutions adhered to the imposed credit limits which resulted in a decrease in credit portfolio growth rates from 43.5 per cent to 22.5 per cent.

The trend towards increasing the weight of housing mortgage loans in the portfolio at the expense of the commercial loans' contracted share sustained. By end-June the two segments occupied 13 per cent and 60.8 per cent respectively changing by 1 percentage point. This reflected the faster growth of mortgage loans (14.6 per cent or BGN 329 million) compared with the growth in commercial loans (4 per cent, BGN 465 million). The three-month growth in consumer loans by 7.8 per cent prompted a rise in the segment by BGN 323 million, comprising over one-fourth of total portfolio growth. In the reporting quarter loans to the budget went down by BGN 1 million (1.2 per cent), agricultural loans increased by BGN 12 million (3.4 per cent) and other loans by BGN 42 million (17.6 per cent).

Excluding transferred portfolios, in a one-year horizon new loans extended to individuals (consumer and mortgage loans) came to BGN 2008 million (with housing loans prevailing by BGN 141 million). Growth rates of the two types of loans continued to slow down and over the last 12 months they totaled 71.3 per cent for housing lending and 26.5 for consumer lending. Over the same period commercial loans reported in banks' balance sheets increased by 14.4 per cent (BGN 1516 million) mainly in the *Other commercial loans* position.

Chart 5
Credit Dynamics



Within the reviewed period the net credit portfolio currency structure changed in favour of the lev component. By end-June lev loans prevailed (54.3 per cent of the total amount), the share of euro loans totaled 43.2 per cent and that of loans in other currencies 2.5 per cent. Lev loans rose by BGN 904 million and those in euro by BGN 350 million. Newly extended loans in other currencies continued to fall (down by BGN 129 million or 20.9 per cent, given the 2.5 per cent depreciation of the US dollar).

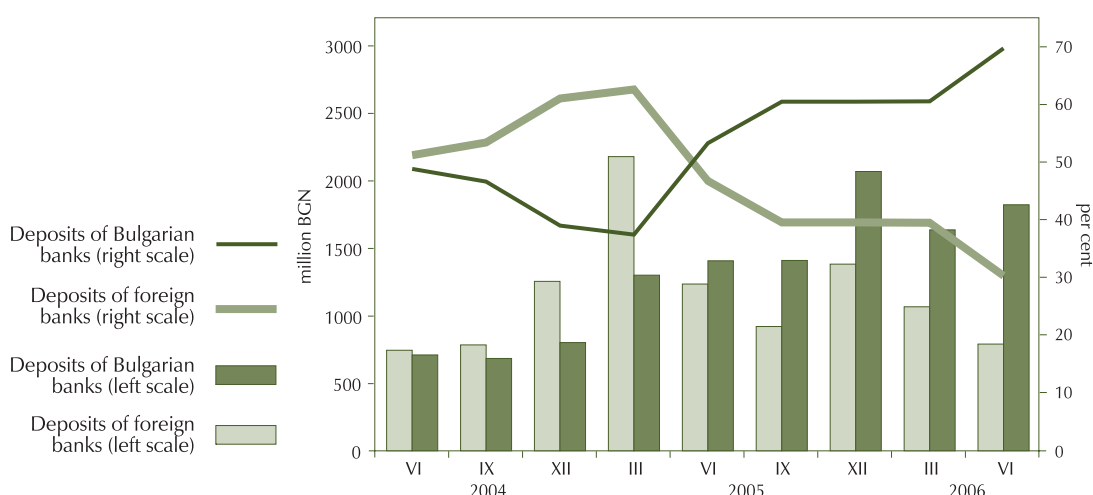
Lifting of some restrictions under Ordinance No. 21 was followed by credit growth. June saw some 'catching up', with 15 credit institutions reporting net portfolio monthly growth above the average (4.1 per cent). Provided that loans to the amount of BGN 165 million had not been transferred during this month, the banking sector would have reported an increase of some BGN 930 million on May. According to forecasts in the short run, banks will continue the established practice of transferring credit portfolios from their balances to save additional minimum required reserves. It is expected that in the third quarter of 2006 a portion of additional minimum required reserves (BGN 808 million) released on 4 August 2006 will be used for new credit transactions.

2.2. Liabilities and Equity Structure

Over the second quarter banking system's deposit base sustained its steady growth and its role as a major source of funds. While deposits of non-financial institutions posted quarterly growth of 8 per cent which exceeded that of assets, financial institutions' resources picked up by 1.3 per cent. Almost two-thirds of the banks contributed to the quarterly increase in *deposits of financial institutions*. Compared with March, banks' demand deposits declined by BGN 93 million (34.4 per cent), time deposits remained almost unchanged and funds received from other financial institutions picked up by BGN 146 million (9.4 per cent). In the second quarter demand and time deposits attracted from foreign banks went down by BGN 277 million (25.9 per cent). As a result, their share in deposits from banks decreased by 9 percentage points to 30.2 per cent. Within a year total resources attracted from financial institutions rose by BGN 526 million (13.9 per cent).

Chart 6

Dynamics of Financial Institutions' Deposits



Deposits of non-financial institutions reached BGN 23,479 million and their relative weight in the balance sheet liabilities was expanded to 65 per cent. Within a year they increased by BGN 5494 million (30.6 per cent) with only three banks registering a decrease. The ten largest institutions reported moderate growth of 23.8 per cent (BGN 3263 million), while Group II banks reported high growth of 62.6 per cent (BGN 2220 million). The bulk of small and medium-sized banks showed enhanced activity on the deposit market.

During the second quarter deposits of non-financial institutions picked up by BGN 1736 million. Group I banks posted an increase of 5.2 per cent (BGN 833 million) and Group II banks of 18.7 per cent (BGN 908 million). The analysis of the resources' structure indicates that over the review quarter banking system's demand deposits went up by BGN 834 million, time deposits by BGN 820 million and savings deposits by BGN 82 million. The largest increase within a year was seen in time deposits (BGN 3432 million or 41 per cent) followed by demand deposits (BGN 1811 million or 24.7 per cent) and savings deposits (BGN 251 million or 11 per cent).

In a one-year horizon the currency structure of *total deposit base* of financial and non-financial institutions shows that deposits in euro increased faster (BGN 3306 million or 44.1 per cent) than those in levs (BGN 2983 million or 29.6 per cent) and in other currencies (BGN 71 million or 1.9 per cent). The review quarter saw a different dynamics: faster growth in lev deposits (BGN 1057 million

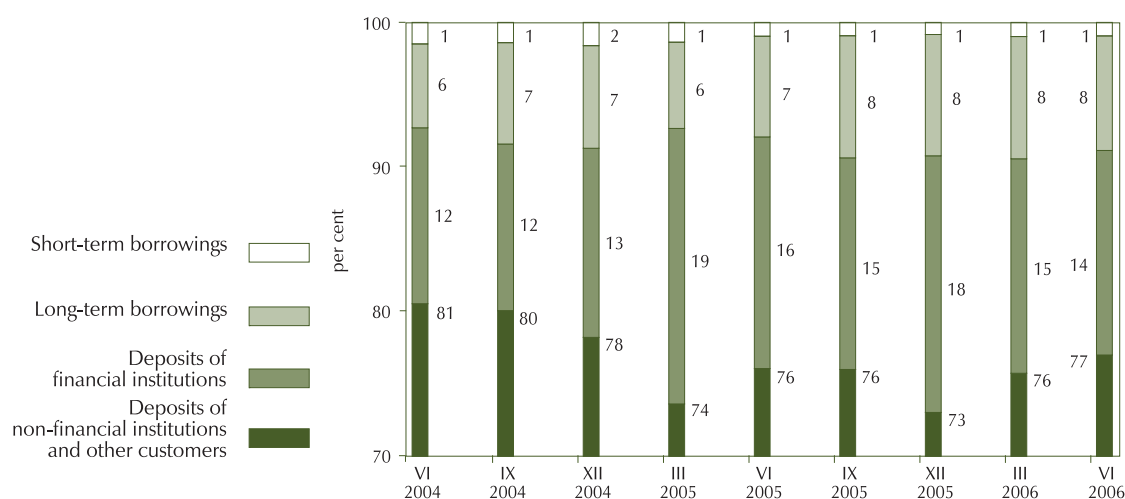
or 8.8 per cent) compared with deposits denominated in euro (BGN 712 million or 7.1 per cent) and in other currencies (BGN 52 million or 1.3 per cent). By end-June 2006 attracted resources in national currency occupied 46.1 per cent of the total deposit base and those in euro 38.9 per cent.

In the quarter under review *short-term borrowings* grew slightly by BGN 2 million (0.8 per cent) and in a year they rose by BGN 58 million (25.9 per cent). Their share in financing funds remained insignificant at 0.9 per cent by June 2006 (against 1 per cent a year earlier).

Compared with the previous quarter, *long-term borrowings* showed the opposite dynamics: an insignificant decline of BGN 9 million or 0.4 per cent. This reflected the decrease in volumes of 15 banks. Long-term loans from foreign banks picked up by BGN 19 million, with their share slightly expanded to 90.5 per cent of total borrowings from credit institutions. Within a year long-term borrowings went up by BGN 771 million or 46.9 per cent. Group I banks contributed mostly to the annual growth (BGN 796 million or 80.7 per cent) with three of them playing the major role. In a one-year horizon the share of long-term borrowings in sources of financing rose by 1 percentage point to 7.9 per cent, albeit declining on 31 March 2006.

In the quarter under review total *financing funds* (deposits and short-term and long-term resources) picked up by BGN 1785 million (6.2 per cent) and within a year their volume increased by BGN 6849 million (29 per cent). Over both periods their dynamics was mostly affected by the growth in the banking system's deposit base.

Chart 7
Total Funds



In the second quarter of 2006 the *equity* balance sheet aggregate posted a 1.5 per cent (BGN 56 million) increase which was 4.8 percentage points lower than that of loans. The realized profit in the review quarter (up by BGN 128 million on 31 March 2006) was the main source of this increase. Ordinary shares grew by just 0.9 per cent or BGN 11.4 million. During the same period profit retained from previous years fell to BGN 407 million, with the bulk of it being transferred to Reserves fund and other reserves. The remaining BGN 79 million were paid as a dividend to shareholders. The negative revaluation of investments available for sale to the amount of BGN 7.7 million had an additional effect. In a one-year horizon banking sector's equity grew by BGN 781 million or 25.7 per cent.

Proprietorship Changes

MKB Bank AD, Budapest, Hungary acquired 9,247,059 ordinary voting shares which represent 60 per cent of the capital of Unionbank AD.

Nova Ljubljanska Banka AD, Slovenia was granted permission to directly acquire 15,327,580 ordinary book-entry voting shares of the West-East Bank's capital, and hence, to directly own 97.01 per cent of the bank's total amount of shares. As of 30 June 2006 Nova Ljubljanska Banka held 72.51 per cent of NLB West-East Bank's capital.

2.3. Dynamics of Major Balance Sheet Aggregates by Bank Group

Chart 8

Market Shares of Bank Groups as of June 2005

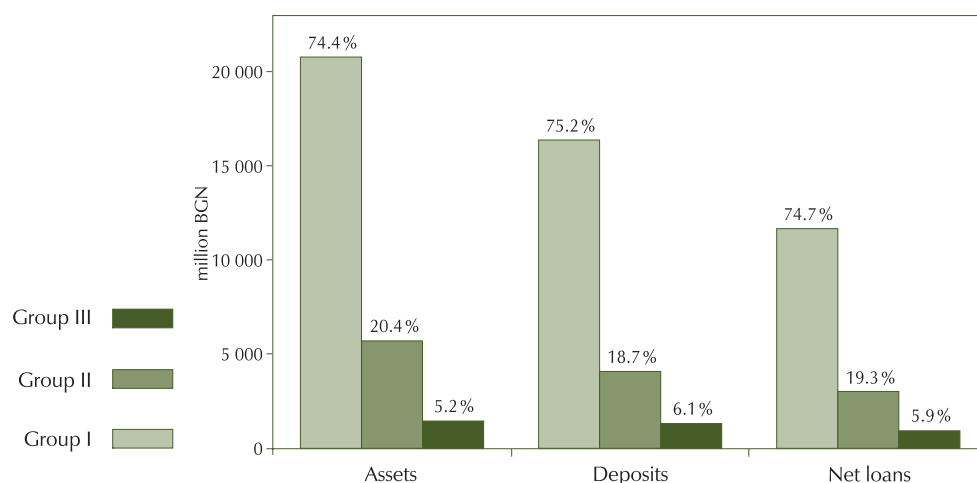


Chart 9

Market Shares of Bank Groups as of March 2006

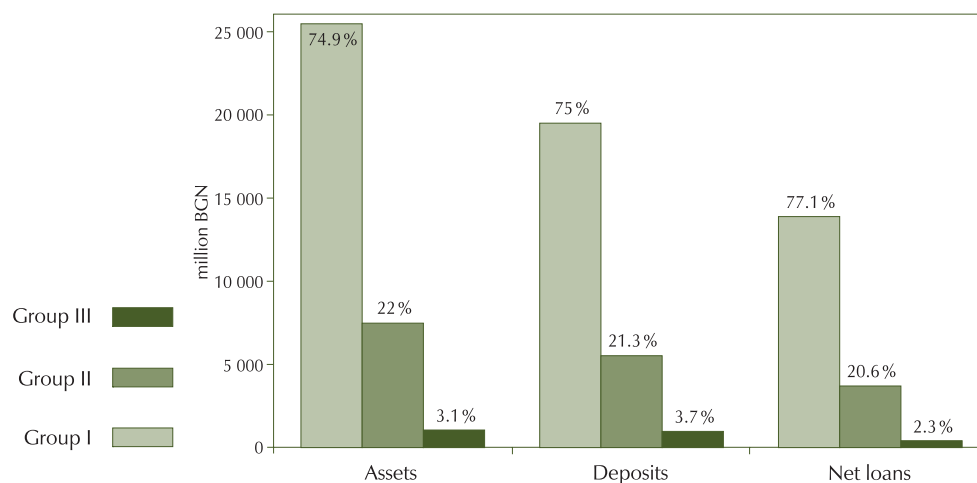
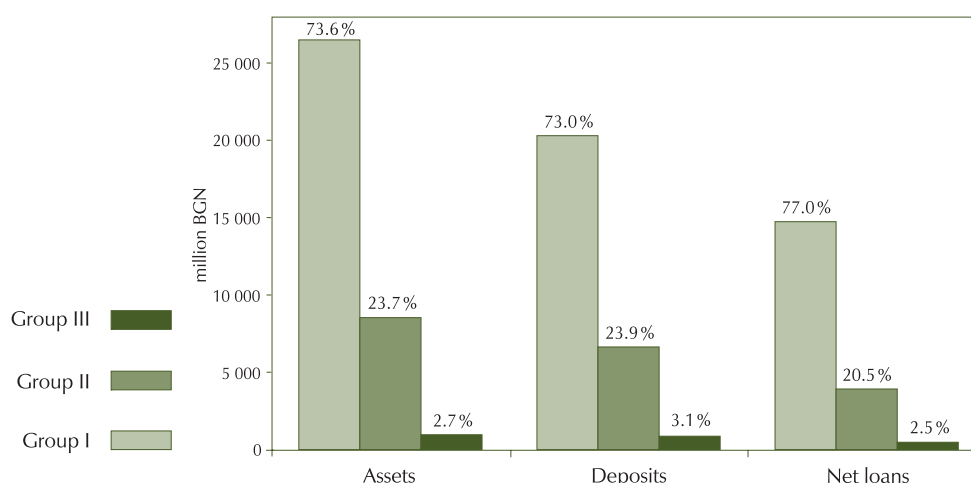


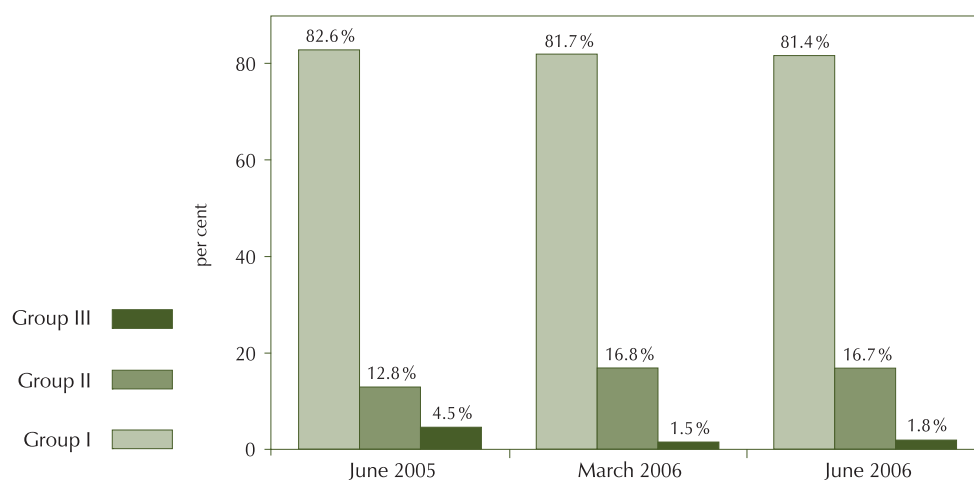
Chart 10

Market Shares of Bank Groups as of June 2006

Market shares of the three bank groups underwent changes in favour of small and medium-sized credit institutions. In the second quarter the *ten largest banks* decreased their shares in banking system's assets by 1.3 percentage points and by end-June they owned 73.6 per cent, while foreign bank branches decreased their weight by 0.5 percentage points to just 2.7 per cent. This reduction strengthened the position of Group II institutions by 1.7 percentage points to 23.7 per cent of the banking sector's balance sheet figure. Group II banks achieved the largest increase in their market share in terms of claims on financial institutions and attracted deposits.

3. Operational Results: State and Trends

The banking system ended the first half of 2006 in a net profit of BGN 342 million, up by BGN 64 million (23.2 per cent) on the respective period of 2005. Between June 2004 and June 2005 the system reported a similar rise in the financial result (23.8 per cent or BGN 53 million), although compared with this period banks' earnings exhibited certain processes which deserve attention. Interest income growth rates fell dramatically from 42 per cent to 24.2 per cent. Despite the decrease in interest expenditure (from 70.5 per cent to 36.9 per cent), net interest income growth slowed down by 13.7 percentage points as a result of the contracted interest margin. Net interest income went up 18.6 per cent (BGN 118 million) on June 2005, while in the prior one-year period the change came to 32.3 per cent. Negative dynamics was registered in the *trading portfolio* item as well: from a profit of BGN 43 million as of 30 June 2005 to a loss of BGN 38 million a year later. This was partially offset at the banking system level by a decline in net credit provisions comprising BGN 52 million (42.2 per cent), while the June 2004 to June 2005 period saw additional expenditure on provisions to the amount of BGN 80 million.

Chart 11
Profit

Market Concentration Index (HHI)

The index showed a moderate concentration in DSK Bank's consumer loans, savings deposits and short-term borrowings and in the United Bulgarian Bank's agricultural loans. All positions of Group I banks retained their high concentration (with the exception of short-term borrowed funds), while the group of small and medium-sized banks reported high values in other loans and in claims and short-term borrowings; concentration in agricultural loans was moderate.

4. Banking System Risk Profile: Major Bank Risks

The second quarter of 2006 saw no essential changes in the parameters of the banking system risk profile. Leading financial institutions continued strengthening their market positions providing comparatively good level of control over major risks. The ownership shifts, consolidation and search for strategic investors also impacted banks' behaviour. Leading foreign bank branches sustained their market shares in respect of the corporate segment, with risk control complying with the high standards of bank groups.

Given the above processes, the following aspects of the banking system's profile were outlined:

- *The structure of the balance sheet and its quality experienced no significant changes.* The level of assets risk remained acceptable, and the market trends in balance sheet items, a subject of a current revaluation (trading portfolio), incurred no serious losses for the banking system and individual banks exposed to specific risk. Loans sustained their largest share in the structure of interest-earning assets and in the total balance sheet structure, with most banks showing no serious deviations from the risk reporting and risk weighting standards over the review quarter. Credit transfers (mostly intended to meet the credit growth constraints), as well as investment in subsidiaries during the reporting period did not prompt a fall in the standards and did not cause any threats of obscuring the risk. Operations financing continued to be dominated from permanent sources (basically deposits of non-financial institutions), with the volume and stability of the sources indicating the degree of public confidence;

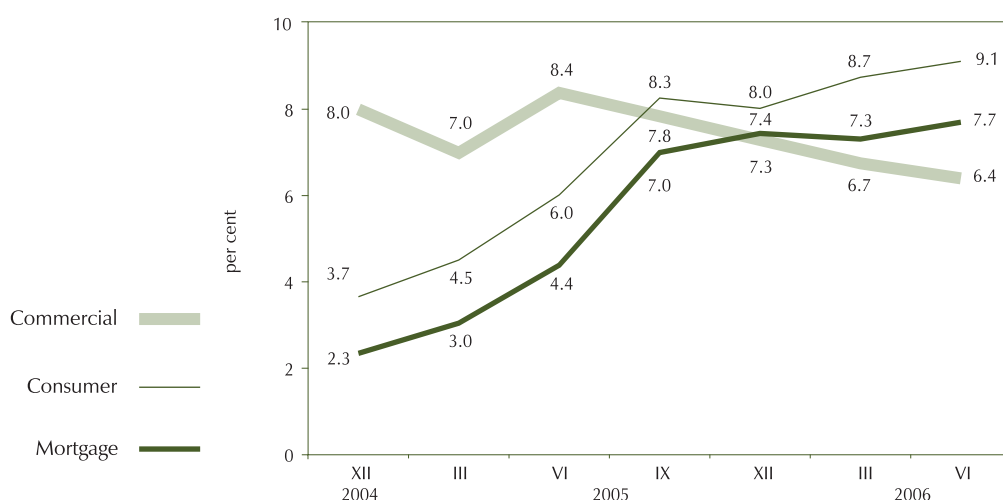
- Despite the *good level* of total banking system earnings, the significant differences in economic efficiency of operations typical of particular banks have not been overcome yet. Traditionally, the major contribution of Group I banks (particularly some of Group I banks) to the good financial results of the banking system was sustained. Therefore, any broader movements in the results prompted by extraordinary factors (e. g. additional non-interest expenditure due to the change and/or improvement in business strategies of some of the largest banks) impacted the banking system performance. There are good examples of stable profitability among banks focused on generating earnings from core operations. However, problems in accomplishing financial objectives also occurred;
- As a leading indicator of banks' current financial performance and capability to absorb risks, *own funds dynamics reflects several trends*: integration of the 2005 accumulated financial result (entirely or partially) into capital, an increase in paid-in capital and preferred use of tier two capital instruments. However, the overall capital position improvement did not hide the higher risk sensitivity in some of the banks, indicating difficulties in ensuring limited capital growth adequate to the assets and risk growth of operations;
- *The liquidity position remained a low risk source* for banks. The review period is characterized by an adequate balance sheet structure, maturity structure of liabilities and their concentration. Changes in price levels of liabilities and some instruments in which the banks deposit their assets did not prompt changes in the liquidity structure. Practically, there are no banks exposed to significant risks, with even the smallest financial institutions having sufficient resources to meet their current needs;
- *Most banks adhered to supervisory regulations over the reporting quarter*. However, the suspects that several banks evaded lending constraints using formally legal lending schemes, which impeded the establishment of economic and business relatedness between individual credit borrowers, sustained. Exposures with indications of business relatedness, involving (significantly or entirely) own funds, were established in several banks. This leads to a conclusion that these banks underestimate risks and violate their own internal rules using perfectly the opportunities of the legislative framework.

Credit risk continued to dominate the profile of individual banks and the entire banking system. Despite the subsided lending rates over the review period and on an annual basis (and taking into account the effect of the transfer of credit risk to other non-bank institutions), the 2006 second quarter did not see any significant changes in the profile of the classification structure of loans. Against a share of 7.36 per cent of classified banking system assets (7.47 per cent in the previous quarter), problems with *consumer loans* in particular banks sustained. Consumer credit classified portion by end-June came to BGN 406 million (BGN 361 million in March), accounting for 9.1 per cent of total consumer loans (8.73 per cent in March). Classified mortgage loans also picked up to reach BGN 199 million or 7.69 per cent (against BGN 164 million and 7.3 per cent in March 2006). One of the reasons responsible for the increase in classified household loans (mortgage and consumer loans) pertains to the fact that the solvent part of individuals has been practically encompassed by banks providing various credit products. There are indications of increased indebtedness which coupled with the lack of an adequate economic culture (in particular users of consumer loans) make consumer loans highly problematic. Regulatory requirements providing for reclassification into a lower-risk classification group if the exposure persistently satisfies all the conditions for the said lower-risk classification group for a period of not less than six months also contributed to this effect. Clear evidences of this are found in the analysis of reports on past due and classified loans. As seen from the data, the past due loans of the banking system totaled BGN 635 million, including consumer loans of BGN 177

million and mortgage loans of BGN 71 million. Concurrently, classified consumer loans amounted to BGN 406 million and classified mortgage loans BGN 199 million. Unlike household loans, banks' *trade credit portfolios* exhibited an improvement. By the end of the review period classified trade loans totaled BGN 770 million or 6.39 per cent (against BGN 781 million or 6.74 per cent by the end of the previous quarter).

Chart 12

Classified Loans as a Share of Total Loans (by Portfolio)



By the end of June loans of over BGN 1 million totaled BGN 8,430,000, with standard loans accounting for 92.85 per cent (92.46 per cent in March) and non-performing comprising just BGN 118 million (1.4 per cent against 1.49 per cent in March). No significant changes occurred as regards risk concentration in the banking system. Credit quality was high and securities provided were adequate to the risk. Notwithstanding, these loans (and all large loans in the banking system) have been constantly monitored in respect of a potential threat associated with worsening the quality of claims.

It may be concluded that in the bulk of banks and the banking system as a whole credit risk is strictly controlled creating adequate organizational, provisional and capital cushions to respond to any change in the quality of exposures. The classified loans stabilized around levels which did not threaten the banking system profitability and solvency base, but they were a subject of constant analysis and when necessary of active measures initiated by banking supervision. Migration within the classified segment was insignificant, with banks managing to enforce corrective measures intended to minimize the negative effect in case of a shift of a credit into a higher risk classification group. In several banks, control over particular types of loans was eased, this being one of indirect indicators of practices for evading regulatory and statutory constraints.

Between April and June 2006 there were no factors impacting dramatically the banking system *market risk*. The amount of capital used for covering market risk stayed insignificant: 3.75 per cent against 3.97 per cent at the end of the previous quarter. The risk structure also remained unchanged: 86.5 per cent of the risk-weighted asset equivalent for market risk was formed by debt instruments, particularly government securities of the Bulgarian government and those of issuers under Appendices 1 and 2 of Ordinance No. 8. Foreign currency component of market risk posted an increase: from 11.1 per cent of the risk-weighted asset equivalent to 13.5 per cent by the end of June 2006. In fact, the reason behind the improved values of the market risk coverage ratio was the faster growth rate

exhibited by own funds compared with the risk-weighted asset equivalent for market risk: the total increase accounted for 3.68 per cent (or BGN 30 million), while the own funds rise was 10.04 per cent (or BGN 331 million). The market risk *interest rate component* did not experience significant changes: an adequate capital coverage was provided. Gap position, reflecting the total interest rate imbalance of assets and liabilities, stayed negative (-1.38 per cent against -1.41 per cent by end-March 2006). However, there were indications of a transfer of interest rate risk from banks to their customers through active operations (mostly to credit borrowers). For example, 97.27 per cent of loans was sensitive to a change, with 58.08 per cent of the sensitivity was within 30-day horizon. A mere 27.71 per cent of loans were sensitive to a change in a horizon of over 1 year. Concurrently, 71.71 per cent of deposits were sensitive to a change within a 1-year horizon. Irrespective of sufficient reserves to offset the change by yet high interest rate margin, the small share of interest rate risk hedging instruments was noticeable. This should not be interpreted as a weakness in banks' management of market risk, but it should be carefully monitored and analyzed in the context of overall risk profile of banks.

Banking system sensitivity to changes in *liquidity risk* characteristics remained low. The degree of coverage of borrowed funds varied around and over 30 per cent, providing a cover for more pessimistic scenarios of deposit pressure on individual banks and the entire banking system.

5. Asset Quality 'A'

- *Consumer and mortgage loans continued to be characterized as highly problematic, with the classified portion of these portfolios (BGN 605 million) approaching the volume of classified corporate loans (BGN 770 million).*
- *The major indicators of asset quality of Group II banks showed lower values compared with the corresponding six-month period of 2005, while Group I banks' credit portfolios tended to worsen: the weight of Group I banks' classified loans in total classified banking system assets rose from 74 per cent to 78 per cent.*

The dynamics of asset quality indicators reveals further contamination of consumer and mortgage credit portfolios of most banks. Classified corporate loans exhibited a decline for a second quarter in a row, while consumer and mortgage segments showed a continuous impairment. The high share of placements maintained with prime-rate banks, sustained banks' preference to invest in familiar financial instruments (mostly in government securities of the Bulgarian government and those of issuers included in Appendices 1 and 2 of BNB Ordinance No. 8), as well as inspection findings on the rules and norms regulating this type of assets, caused no concerns as to their quality.

5.1. The Increased Credit Risk Zone

The increased credit risk zone includes banks assigned ratings of 3 or 4, and both supervisory inspection findings and indicators, measuring asset quality, indicate higher than banking system average risk sharpness. These are banks which deliberately evade the effective statutory framework and form exposures under the conditions of hidden relatedness between credit borrowers and/or non-transparent bank operations. These banks could be conditionally divided by ownership: banks whose shareholders are resident physical persons and/or legal entities, and those with non-resident shareholders. In particular cases, the transfer of ownership from resident to non-resident shareholders helped improve asset management (although these institutions are still in the increased credit risk zone). Very often inspections have established weaknesses in risk management, non-compliance with supervisory requirements and regulation, as well as possibilities for systemic violations and risks as a result of poor bank practices. In some of these banks, lending growth is not directly linked with an adequate

provisioning against a potential risk of losses, which could dramatically affect earnings and erode the capital. In some banks, the increased credit risk was not only a result of non-compliance with the requirements of Ordinance No. 9 of the BNB in respect of risk exposures but also of a high risk of concentrations both attributable to the indirect relations between credit borrowers in banks established by inspectors and the great number of large exposures. In other banks, the established worsening in credit risk management reflects also the lack of a clearly defined policy and transparent procedures.

5.2. Asset Quality Level and Trends

The gradual credit portfolio contamination ascribable mostly to the consumer credit segment sustained both on a quarterly and annual basis.

Following the decline in classified assets in the first quarter, a new rise by BGN 64 million (4.6 per cent) was exhibited. As a result, classified loans reached 3.98 per cent of gross assets. Almost half of the banks (14 institutions) reported an increase in these assets. The annual growth rate of classified assets was sustained at 19 per cent (BGN 232 million), indicating for the first time since end-2004 slower growth compared with that of gross assets (29 per cent, see Chart 13).

Chart 13

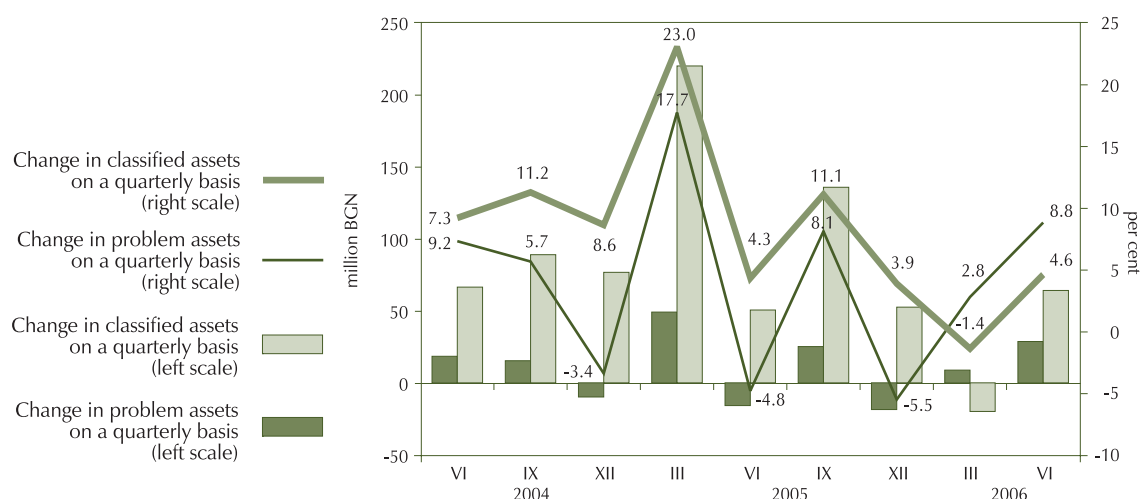


The increase in *problem assets* by BGN 29 million (9 per cent) in the review quarter did not change significantly the values of the ratio: 1 per cent of banking system gross assets. In a one-year horizon the growth rate was 14 per cent (BGN 44 million).

The medians of the two asset quality ratios for Group I banks were higher than those for Group II banks, while small and medium-sized banks had reported more unfavourable values by June 2005.

Chart 14

Classified and Problem Asset Growth Rates

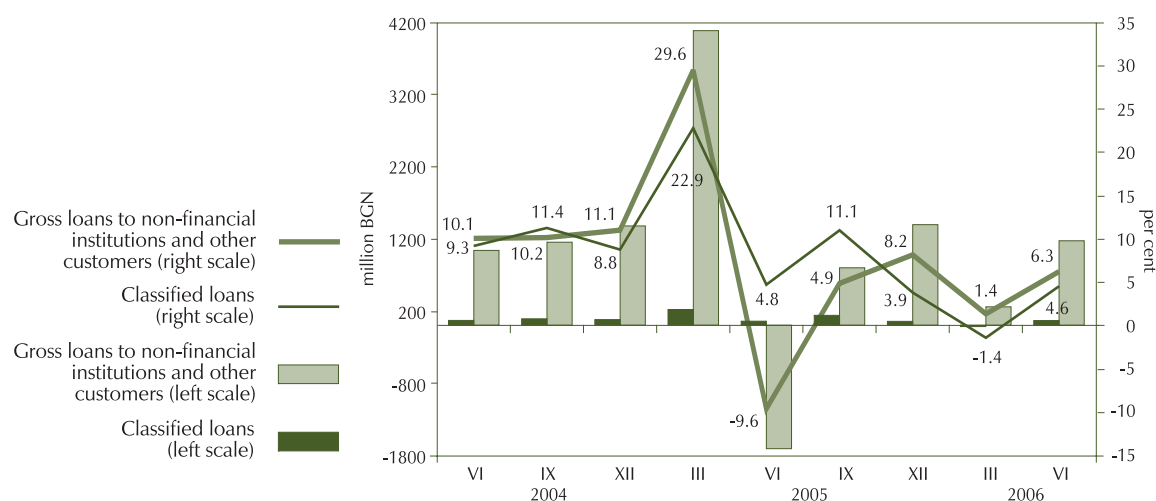


Over the quarter under review *classified assets* went up by BGN 64 million (an increase by 4.6 per cent) and for a year by BGN 233 million (19 per cent), posting a two-fold slower growth than in the June 2004 – June 2005 period (BGN 440 million, an increase of 56 per cent).

For a second consecutive quarter non-performing assets (the highest risk group) posted the largest increase, BGN 38 million, in classified assets. In a one-year horizon they grew by BGN 121 million which coupled with the BGN 7 million decrease in substandard assets resulted in a change in the asset structure: the share of substandard assets went down from 19 per cent to 15 per cent at the expense of the increased non-performing assets from 29 per cent to 32 per cent. Watch exposures accounted for 52 per cent of classified assets, with almost half of the banks reporting higher values than the banking system average. The percentage of non-performing exposures of the half of the banks exceeded the average percentage for the banking system.

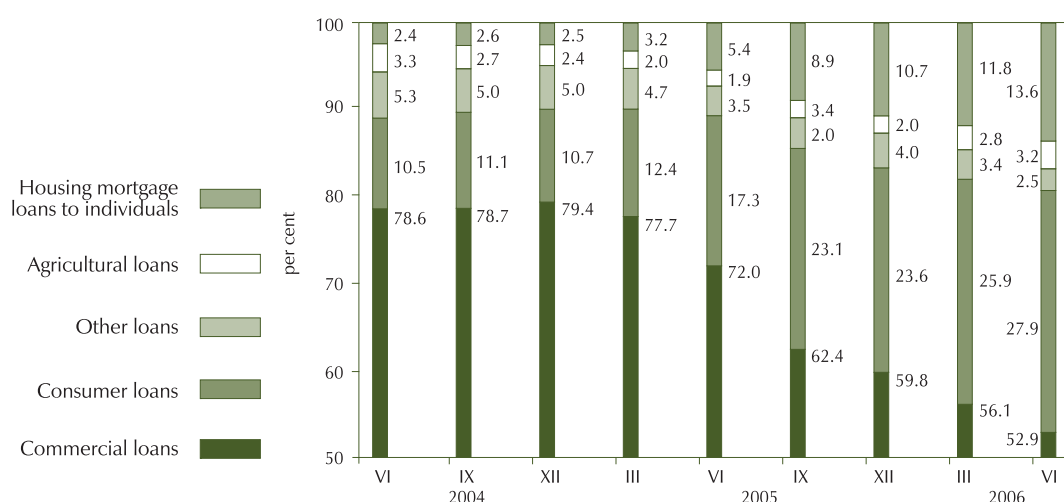
Chart 15

Growth Rates of Gross and Classified Loans



The faster worsening of the consumer credit segment compared with the banks' trading portfolio started in early 2005 sustained between April and June 2006. In the second quarter of 2005 the contamination of commercial loans was higher (commercial loans classified other than standard accounted for 8 per cent) than that of consumer loans (6 per cent), while in the review quarter classified consumer loans comprised 9 per cent and commercial loans 6 per cent. The share of classified consumer and mortgage loans reached 41 per cent of total classified loans against 23 per cent a year earlier and 13 per cent in the second quarter of 2004. This was ascribable to the faster rate of impairment of these two types of loans: an increase of 92 per cent (BGN 194 million) in classified consumer loans over the last 12 months, correspondingly triple growth (BGN 133 million) of housing mortgage loans combined with a slowdown in classified commercial loans (a fall of BGN 112 million).

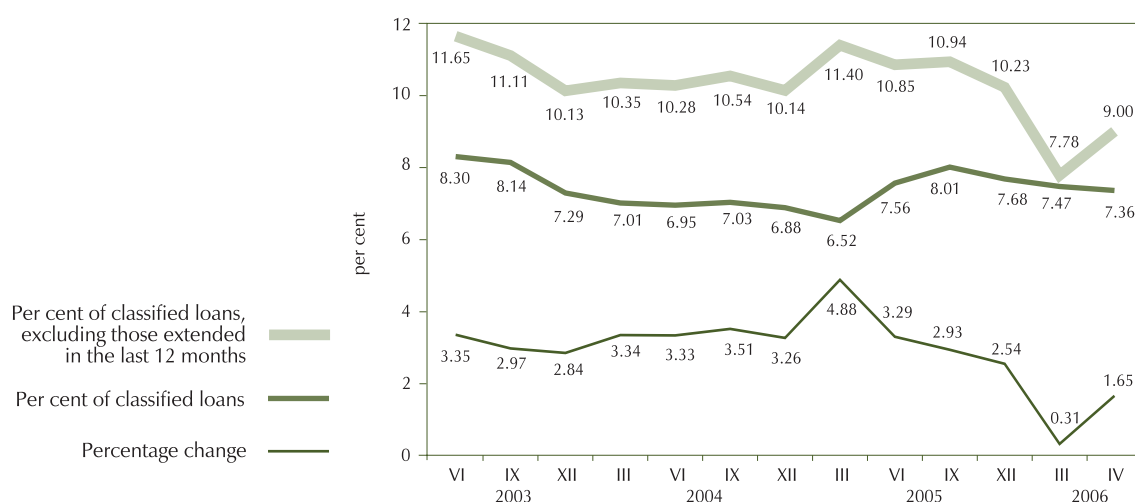
Chart 16

Classified Loans' Structure

For the first time after the enforcement of measures limiting lending, the share of classified loans (recalculated by eliminating loans extended in the last 12 months) fell under 10 per cent.⁴

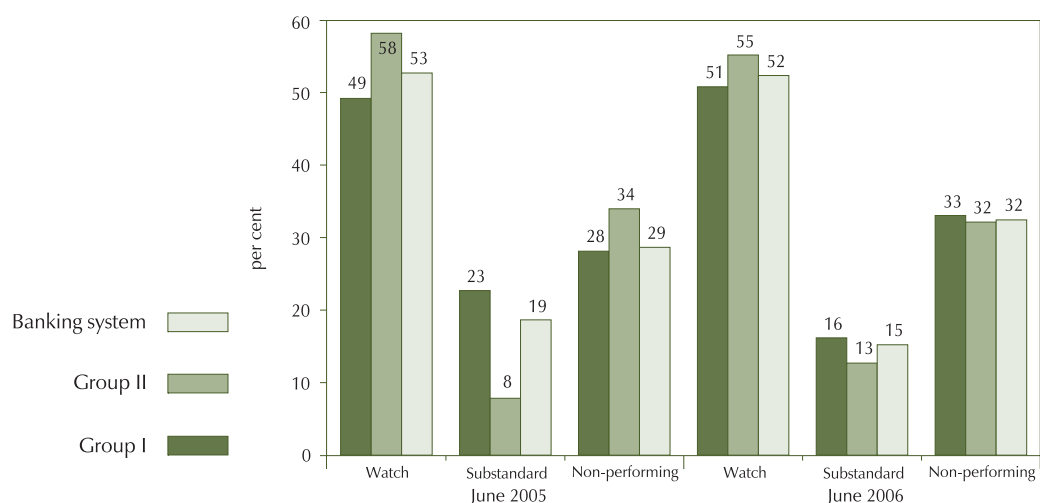
⁴ Reviewing the values of this ratio, the artificially increased deposit base of end-March 2005 prompting a distortion of values for the first quarters of the 2005 and 2006 should be taken into account.

Chart 17
Classified Loans



Loan classification shows a sustained share of standard exposures at 92.64 per cent, with a slight improvement over a one-year horizon (92.44 per cent). At the banking system level, the non-performing loans' share continued picking up: from 2.17 per cent to 2.39 per cent over the past 12 months.

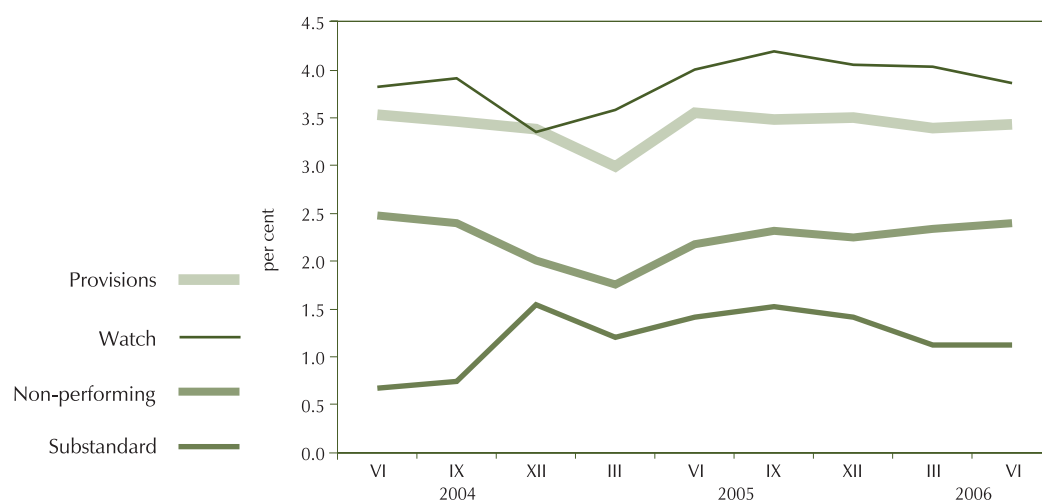
Chart 18
Classification Structure of Loans



Credit quality by bank group is as follow:

	June 2005	March 2006	June 2006
Group I			
Total (million BGN)	12 106	14 391	15 280
Standard (%)	92.47	92.40	92.56
Non-performing (%)	2.12	2.37	2.46
Group II			
Total (million BGN)	3138	3825	4049
Standard (%)	91.35	92.73	92.60
Non-performing (%)	2.94	2.43	2.38
Group III			
Total (million BGN)	941	419	477
Standard (%)	95.63	95.09	95.57
Non-performing (%)	0.22	0.18	0.16

Chart 19
Credit Classification



5.3. Provision Analysis

Following the decreasing share of loans in total assets (from 56 per cent to 53 per cent for one year) and lower volume of classified commercial loans, the degree of provisioning of gross assets went down from 2.02 per cent to 1.85 per cent. Provisions rose by 18 per cent (BGN 104 million) for a year, while the reported asset growth was 29 per cent. Eleven banks exhibited higher values of this ratio compared with the corresponding period of 2005. *Provisions for claims on non-financial institutions* increased by BGN 46 million between April and June 2006, and the degree of provisioning for these claims slightly improved: 3.42 per cent against 3.38 per cent in March. However, in a one-year horizon a decline by 12 basis points was reported. In almost half of the banks, these values rose on June 2005, with the highest values reported by Group II banks. Given the close growth rates of classified exposures (19 per cent) and provisions (21 per cent), the indicator measuring the degree of

provisioning of these claims posted a slight increase from 38.23 per cent by June 2005 to 39.01 per cent by June 2006. In 17 banks, this indicator's values were higher than in the corresponding quarter of 2005, with the increase in half of these banks pertaining to the higher level of classified assets. As a result of almost two-fold higher growth rate of assets classified as non-performing compared with the growth of total allocated provisions, the indicator shows a slowdown by 20 percentage points to 143 per cent (145 per cent by March 2006).

6. Earnings 'E'

- *ECB interest rate rises which started at the end of 2005, further narrowing of the margin due to the strong bank competition, as well as losses derived from trading portfolio securities since early 2006 were the major factors affecting banking system earnings between June 2005 and June 2006.*
- *Despite the similar structure of financing funds in the two bank groups and higher prevalence of interest liabilities in the ten largest banks, the cost of financing for small and medium-sized banks remained significantly higher, affecting adversely their earnings.*

Banking system earnings between June 2005 and June 2006 were strongly influenced by a few factors: lower credit growth and hence slowing rates of interest income, ECB interest rate rises of end-2005 resulting in increased financing costs, gradually narrowing margin between deposit and lending interest rates eroded by the strong competition within Bulgaria's banking sector, significant losses from trading portfolio securities accumulated since early 2006 (BGN 47 million), and significant expenses made by a bank in the integration process (BGN 50 million). Although non-interest income continued growing steadily, a slowdown was seen in its growth rates: 31 per cent for the June 2004 to June 2005 *vis-à-vis* 27 per cent for the following 12-month period. At the same time however, lower growth in non-interest expenditure (23 per cent against 25 per cent for the preceding one-year period) and twice lower provisions fostered banking system profitability. Profit growth at 23 per cent reported as of June 2006 matched that of the corresponding period of 2005 (24 per cent), reflecting largely profit from foreign currency revaluation over the first six months of 2006 (a loss for the first six months of 2005).

Data at the bank group level show that growth rates of interest income were identical in all groups at 21 per cent, with Group II banks registering higher non-interest income rates at 43 per cent than Group I banks at 26 per cent and more moderate growth in non-interest expenditure at 12 per cent compared to 30 per cent for Group I banks. This led to higher profits of small and medium-sized banks (61 per cent) *vis-à-vis* the ten Group I banks (21 per cent), with their share reaching 17 per cent of banking system profit by end-June (13 per cent a year earlier). However, earnings dynamics showed worsening in key ratios reported by Group II banks, with most banks registering lower return on assets and return on equity compared to June 2005.

6.1. The High-problem Income Zone

This zone includes banks assigned component ratings of 3 and 4 and characterized by high-problem income and significant fluctuations in earnings. Some of these institutions operated under higher credit risk, their financial results remaining insufficient to adequately cover the asset risk profile. Their earnings were negatively impacted by the use of high-priced borrowed funds in financing operations. In other banks, the bulk of earnings was formed by one-off income (i. e. reintegrated provisions). Core income was insufficient to support their operations and to serve as an internal source for capital growth. Some of these institutions had difficulties in using effectively their resources and achieving sound profitability.

6.2. Earnings Level and Trends

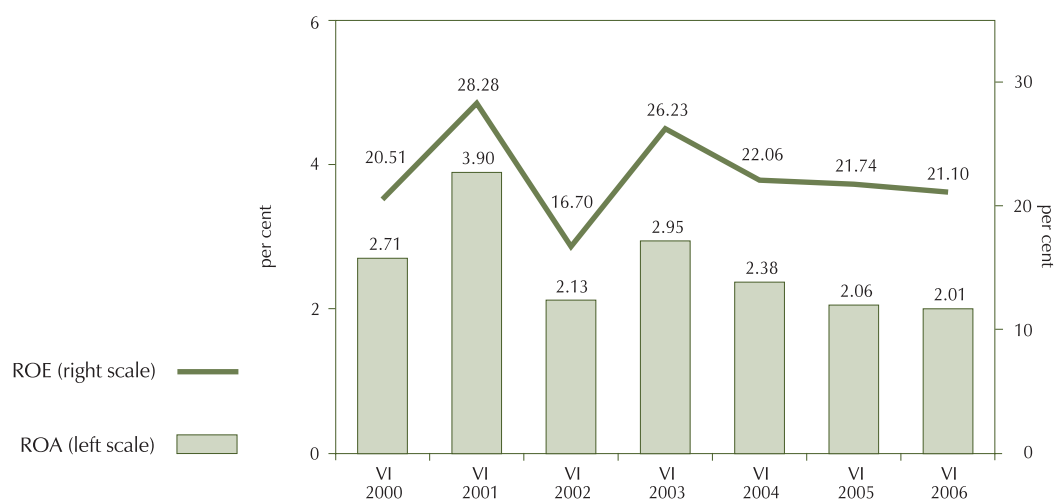
Leading indicators at the banking system level were:

Ratio as a percentage of average assets	June 2005	June 2006	recalculated*
Net interest income (%)	4.59	4.32	-
Non-interest expenditure (%)	3.69	3.62	3.32
Extraordinary gain/loss (%)	0.03	0.03	-
Efficiency ratio (%)	56.67	62.66	57.55
Net result (post-tax ROA since year start) (%)	2.06	2.01	2.31
Core ROA (income from core operations since year start) (%)	2.65	2.64	2.93
Return on equity (ROE) (%)	21.74	21.10	24.19
Average assets (million BGN)	26 969	33 979	-

* Earnings ratios were recalculated by excluding extraordinary non-interest expenditure made by one bank.

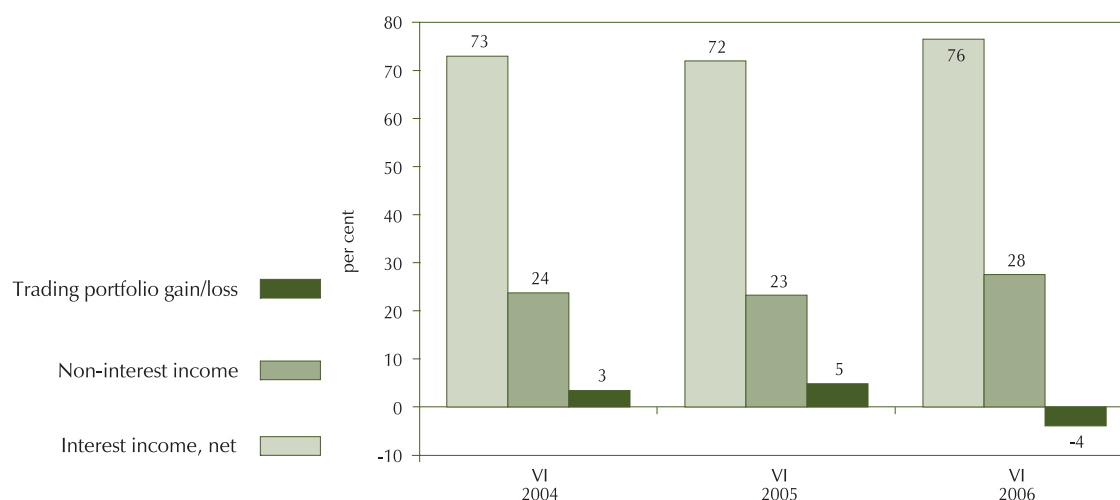
Chart 20

Return on Assets and Return on Equity



Over the second quarter of 2006 trading portfolio securities losses continued to exert pressure on the internal structure of core operations income. If core income is recalculated without taking into account trading portfolio gain/loss, the fee and commission income's share increases by 2 percentage points to 26 per cent at the expense of the net interest income (74 per cent). Although non-interest income of small and medium-sized banks grew faster than those of Group I banks, both groups reported a core income structure which matched that of the banking system.

Chart 21
Income from Core Operations



Given the above factors, the banking system *Return on Assets* indicator (ROA) was 2.01 per cent, decreasing on the first six months of 2005. The largest banks' median showed an improved profitability on the corresponding period of the previous year, whereas small and medium-sized banks registered the opposite trend.

Although two-thirds of banks reported lower *core ROA* on June 2005, the downward trend was sustained at the banking system level (2.64 per cent compared to 2.65 per cent in June 2005 and 3.02 per cent in June 2004). Nine banks succeeded in improving or maintaining their core earnings at June 2005 levels, while eight banks reported extremely low values (below 1 per cent). This signals difficulties in generating reliable earnings intended to ensure good return on assets and equity. Faster growth in interest expenditure (37 per cent) compared to interest income (24 per cent) affected net interest income which dipped by 0.20 percentage points to 4.32 per cent. Over three-fourths of the net interest income was ascribable to the large banks. Another fact proving the potential of large banks to generate stable core income is that net interest income reported by most of them covered the provisions and administrative expenditure, while in Group II banks, it was only non-interest expenditure that was covered. Only few small and medium-sized banks ensured adequate coverage of credit provisions and non-interest expenditure by net interest income.

Following the steady decline in the share of *interest-bearing assets* (from 88 per cent in June 2004 to 87.27 per cent in June 2005 and to 85.65 per cent in the second quarter of 2006), *net interest margin* continued decreasing. Of note is the significant decline of 0.40 percentage points between June 2004 and June 2005, whereas it slowed down in the past 12 months (down 0.21 percentage points to 5.05 per cent). In line with the trends in the banking system, twenty banks reported lower values, institutions with traditionally high values reporting most significantly declining net interest margin. Expectations are for the net interest margin to continue shrinking following the projection of further rises of ECB interest rates and their effect on the cost of resources for banks. By contrast, rises in lending rates will be subdued by competition within the banking sector.

Over the 12-month period under consideration costs of financing of interest-bearing assets and the *cost of interest liabilities* rose steadily, albeit at moderate rates. The cost of interest liabilities reached 2.55 per cent *vis-à-vis* 2.35 per cent a year earlier, reflecting rises in twenty-one banks. At the banking system level, the *cost of financing of interest-bearing assets* grew by 0.25 percentage points to 2.54 per cent. Banks with the highest cost of interest liabilities reported the highest cost of financing of their interest-bearing assets.

Although growth rates of interest assets (24 per cent) matched those of interest liabilities (26 per cent), the *prevalence of interest liabilities* continued to pick up (by 2 percentage points to 99.5 per cent). Compared with the base period, twice more banks (12 in number) reported values of this ratio exceeding 100 per cent. Despite the similar structure of financing funds in the two bank groups (non-financial institutions' deposits occupied two-thirds of all financing funds, financial institutions' deposits comprised 15 per cent for Group I and 12 per cent for Group II banks and long-term borrowings came to 8–9 per cent respectively) and more clearly pronounced prevalence of interest liabilities in the large banks' group, both groups reported different interest expenditure structures. In large banks, merely 13 per cent of total interest expenditure was derived from interest on short-term and long-term borrowed funds, whereas it came to one-fifth in Group II banks.

Return on interest-bearing assets slightly improved at 7.59 per cent, from 7.55 per cent, with medians of both groups showing divergent trends: growth in Group I and a fall in Group II.

Slowing growth in *non-interest income* at 27 per cent over the past 12 months (31 per cent for the previous period) had no negative effect on the system average values which stayed at 1.99 per cent.

Chart 22

Selected Profitability Ratios

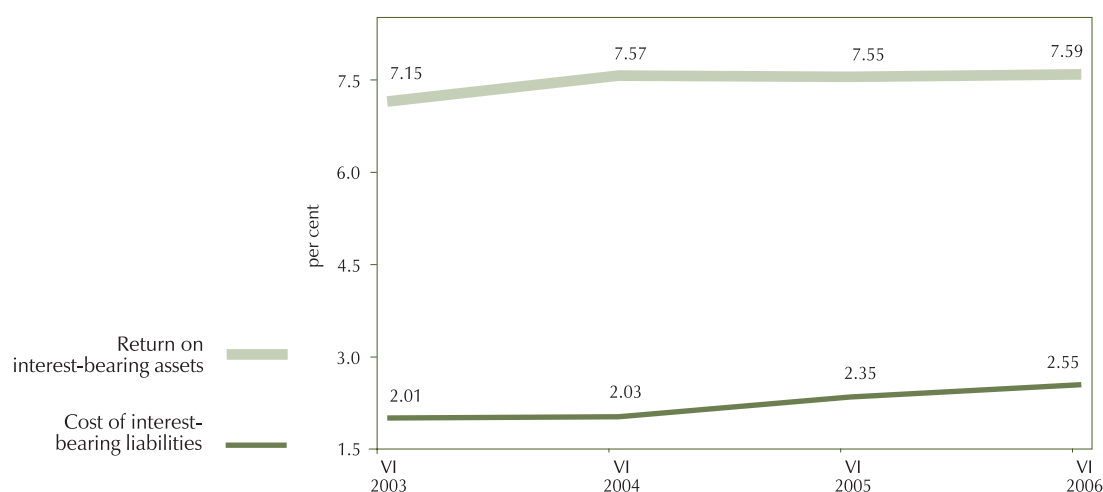
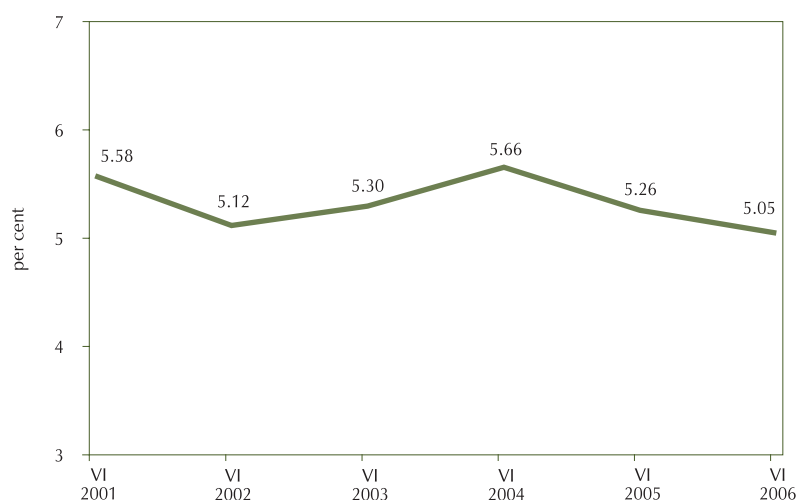


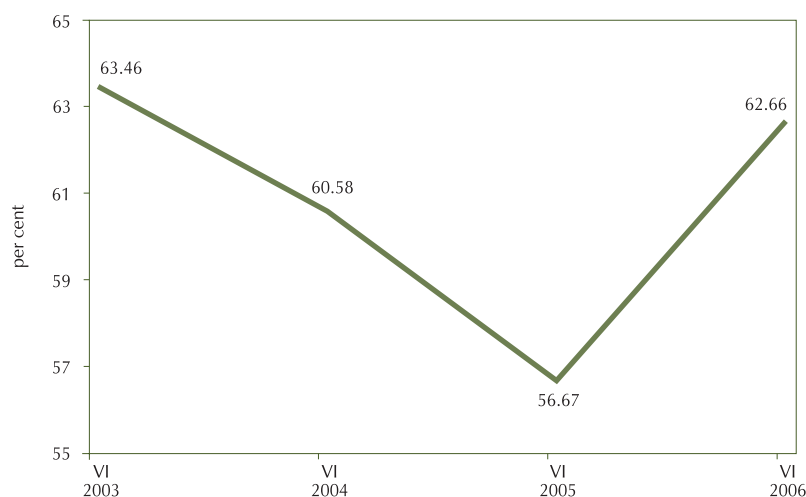
Chart 23
Net Interest Margin



Pressed by competition, small and medium-sized banks strived to reduce growth in *non-interest expenditure* to 12 per cent for the June 2005 to June 2006 period (30 per cent for Group I banks), with the group median (4.19 per cent) still remaining higher than that of the large banks (3.38 per cent). Lower levels reported by twenty banks predetermined medium values of 3.62 per cent for the banking system (3.69 per cent a year earlier). Small and medium-sized banks maintained higher share of salary expenditure (37 per cent) in total non-interest expenditure compared to large banks (30 per cent). External service expenses of Group I banks at 27 per cent were higher than those of Group II banks (18 per cent).

The *efficiency ratio* worsened dramatically to 62.66 per cent (by 6 percentage points over the past 12 months), reflecting significantly higher growth in non-interest expenditure (23 per cent) than in core operations income (12 per cent). Only eleven banks reported improved values on the reference period.

Chart 24
Efficiency Ratio



Credit provisions allocated by banks declined sizably on June 2005 to reach 0.42 per cent as a share of banking assets against 0.92 per cent a year earlier.

Return on Equity (ROE) remained good at 21.10 per cent (21.74 per cent as of June 2005), although sixteen banks reported lower values.

At the end of June 2006 bank employees under a labour contract numbered 25,224, an increase of 1692 on the same period of 2005. Correspondingly, the amount of assets per employee reached BGN 1,427,000 against BGN 1,187,000 by the close of the previous year (an increase of about BGN 240,000). Approximately two-thirds of the banking system personnel worked in the ten largest banks, with the amount of assets per employee reaching BGN 1,611,000 of the ten banks' assets. As regards Group II banks, assets per employee came to BGN 1,015,000 of total Group II assets.

7. Capital 'C'

- *Capital indicators of the banking system retained their level over the review period.*
- *Capital position of small and medium-sized banks remained more sensitive, most banks experiencing pressure from plenty of factors: problem asset quality, inability to generate stable income, exhausted capital surplus.*

Simultaneous growth in assets and own funds (respectively tier 1 capital) over the past 12 months, coupled with the lagging growth in loans (affected also by significant sales of standard loans) were the motives behind more gradual falls in capital indicators. If for the June 2004 to June 2005 period capital adequacy fell by 1.7 percentage points, over the past 12 months it declined by merely 0.7 percentage points. Tier 1 capital showed similar trends: a fall by 2 percentage points for the former period and by 1 percentage point for the latter period. Own funds and total risk component demonstrated identical growth rates over the review period at 10 per cent, thus sustaining capital indicators at their previous quarter's levels. Between April and June 2006 own funds increased by BGN 331 million, this growth entirely due to tier 1 capital (BGN 330 million). Total risk component grew by BGN 204 million, credit risk positions (BGN 1994 million) traditionally contributing mostly to growth. The RWA equivalent for market risk posted a mere increase of BGN 30 million (4 per cent). At the group level, above processes had their own specificity. As regards large banks, own funds grew faster than the risk component. By contrast, Group II banks showed the opposite trend: own funds growth occupied 7 per cent of total growth at the banking system level, whereas risk component contributed by almost one-fifth to overall growth. Over the reporting period some banks continued selling standard loan portfolios with the intention to reduce their risk component. Other institutions reported moderation in capital indicator falls ascribable to possible increases in their shareholders' capital thanks to retained profits for 2005.

7.1. The Increased Capital Risk Zone

Banks included in this zone were assigned a capital rating of 3 or lower and overall CAMELS/CAEL rating of 4 or lower. The zone comprised banks whose capital position provided no adequate coverage of their risk profile and/or was subject to a strong pressure from extreme internal and external factors. Albeit reporting high values of capital indicators, some banks were classified into this zone due to poor asset quality, the high share of their classified exposures, and inadequate quality and quantity of income generated by traditional operations. An additional pressure on the capital of these banks may come from the large volume of their classified assets and/or risk of unidentified concentra-

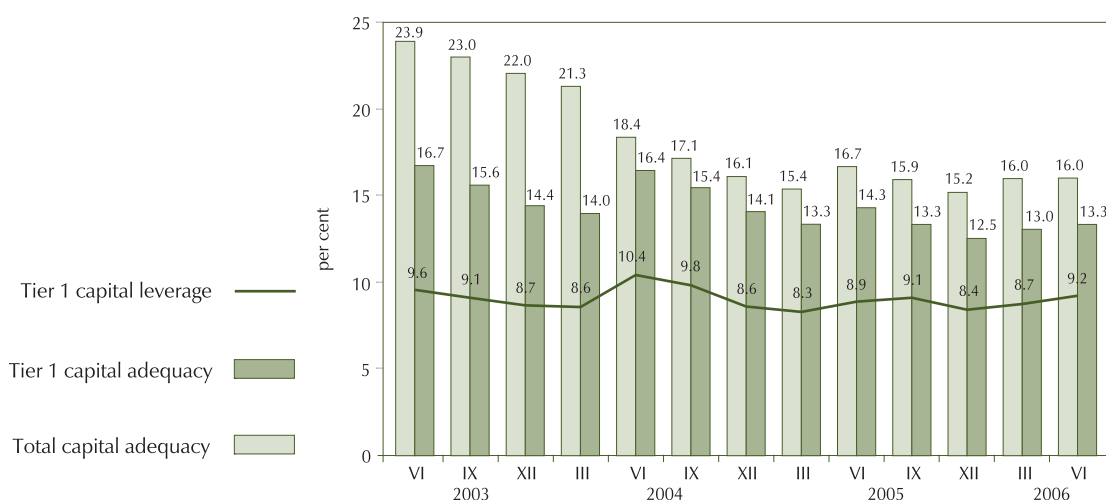
tions, a result of business relatedness between borrowers. In most of them, inspections showed circles of borrowers indicating relatedness and occupying a significant portion of these banks' capital. In addition, supervisory inspections in problem asset quality banks show that capital adequacy is most likely to be affected by required provisions.

7.2. Capital Adequacy Level and Trends

Following the increases in 12 banks, *total capital adequacy* of the system reached 16 per cent against 15.97 per cent in the previous quarter (16.66 per cent a year earlier). Higher values of *tier 1 capital adequacy* in half of all banks resulted in the increased value of the system at 13.33 per cent, from 13.04 per cent. In line with the total capital adequacy, the trend over the one-year horizon was stable (14.29 per cent as of June 2005). In the reviewed period 90 per cent of tier 1 capital growth was due to Group I banks. At most small and medium-sized banks, tier 1 capital adequacy significantly exceeded the required values, reflecting the fact that only a few institutions used financial instruments other than the paid-in capital and reserves to manage their capital position. Thus, tier 2 capital of large banks reached one-fourth of tier 1 capital, whereas it came to just 12 per cent in small and medium-sized banks.

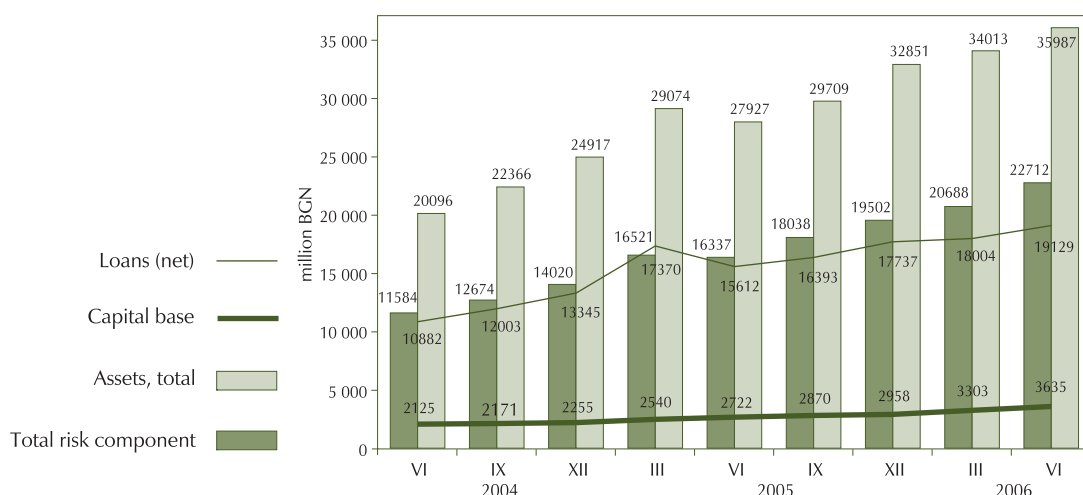
In line with the basic ratios, *tier 1 capital leverage* also posted an increase on the previous quarter at 9.22 per cent, from 8.74 per cent in March 2006 (8.88 per cent in the corresponding quarter of 2005).

Chart 25
Capital Indicators Dynamics



Favourable trends in *net classified assets as a share of own funds* were sustained. They went down from 26.17 per cent to 24.46 per cent over the review quarter and by 3.35 percentage points over the past 12 months. The fall reflected higher growth in own funds than in classified assets in both the review quarter and a one-year horizon. Seventeen banks reported declining values on the previous quarter.

Chart 26

Dynamics of the Major Factors Determining the Level of Capital Indicators

Investments in fixed assets occupied 23.18 per cent of banking own funds, also posting a decrease in the review quarter (by 1.6 percentage points) and the same period of 2005 (by 2 percentage points). Total investments in fixed assets reached BGN 843 million (quarterly growth of BGN 23 million).

7.3. Capital in Excess of Capital Base Regulation

Growth of BGN 107 million in the capital in excess reported by Group I banks, less BGN 23 million due to Group II banks, led to overall growth of BGN 88 million to BGN 909 million. Reduced capital buffers of Group II banks over the past 12 months resulted in an increased share of the ten large banks in the total amount: from two-thirds in June 2005 to three-fourths in June 2006. Actually, half of small and medium-sized banks held capital buffers, whereas only one Group I bank had a low capital buffer. By the end of June banks practically exhausted their resources to increase the capital in excess by using the 2005 profit, projections pointing to a falling trend over the coming two quarters.

8. Liquidity 'L'

- *Banking system liquidity continued to be ample.*
- *Most banks' assets were structured in a manner which ensured both good liquidity and income from banking operations.*

Indicators featuring banking system liquidity remained at comparatively high levels. The significant volume of additional funds frozen at the BNB in line with the measures to curb credit growth was another factor fostering good liquidity position of the system. Group II banks traditionally reported higher-than-average levels of their basic liquidity indicators, reflecting more limited access of these institutions to money markets and to other financing sources in contrast to large banks. As for banks with weaker liquidity position, no signs of problems in servicing their obligations or doubts of insurmountable liquidity problems were reported. Good liquidity position of the system was sup-

ported by supervisory inspections on liquidity management and control systems. Stable growth in deposits of non-financial corporations over the past 12 months was due to variety of deposit products offered and increasing attractiveness of deposits after the latest ECB decision to raise interest rates.

8.1. The Increased Liquidity Risk Zone

Banks with complex rating of 3 or lower are included in this zone. Typically, these institutions hardly succeed in withstanding the fluctuations in business activity, becoming far more vulnerable to external threats. Hence, their liquidity position suffers greater pressure. In addition, procedures for managing liquidity might not be adequate to the size, complexity and risk profile of the institution. These banks are also characterized by significant deposit concentrations requiring a bulk of high liquid assets, as well as short-term changeable sources of funds used to finance longer-term assets.

8.2. Major Liquidity Indicators: Level and Trends

The second quarter saw no significant changes in key liquidity indicators of the banking system and individual banks with regard to the structure and tradability of assets and correspondingly to the structure and concentrations of financing sources. For the fourth consecutive quarter *tradable assets as a share of total assets* continued rising to reach 29.46 per cent at the end of June (29.08 per cent as of March 2006 and 27.39 per cent a year earlier). This trend was primarily due to small and medium-sized banks' behaviour: eleven Group II banks and four Group I banks reported higher level of tradable assets on the reference period. High tradable assets were steadily maintained by most small and medium-sized banks, pushing the value of Group II median over Group I median in a one-year horizon. In some of them however, reported values gave rise to doubts about availability of adequate funds to meet unexpected liquid needs.

Tradable assets growth of BGN 712 million (7.2 per cent) on end-March had a favourable effect on the indicator measuring tradable assets as a share of total borrowed funds: 34.31 per cent against 34.02 per cent in the previous quarter (31.84 per cent in June 2005). Banks with progressively increasing tradable assets reported also higher values of this ratio.

The *liquid assets ratio* measured under Ordinance No. 11 showed good levels of individual banks' liquid potential. At the banking system level, the highest value in the last 12 months was registered at 32.27 per cent (30.7 per cent in March 2006 and 30.19 per cent in June 2005). Only four Group I banks and five Group II banks reported declines on the reference period. The *loans to deposits ratio* matched the previous quarter's level at 71.27 per cent (71.68 per cent in March), with a clear downward trend following the highest value attained in the third quarter of 2005. Six Group I banks and six Group II banks registered just the opposite dynamics of this ratio. Although this quarter saw further shifts of loans, this ratio decreased in only three banks. By contrast with the previous quarterly period, dynamics of the *loans to total funds ratio* diverged from *loans to deposits ratio* developments: a slight rise to 64.96 per cent (64.92 per cent in March).

The maturity imbalance analysis shows still inadequately balanced maturity structures of assets and liabilities at the banking system level. Liquid assets covered entirely outflows on borrowed funds in the shortest time horizon: up to seven days. In the horizons of up to one month, up to three months and up to six months, values from 39 per cent to 89 per cent were registered. While Group I banks reported maturity imbalance matching that of the system, liquid assets of small and medium-sized banks covered also outflows in the horizon of up to one month.

Appendix 1

Chart 27
Total Amount of Loans by Quarter

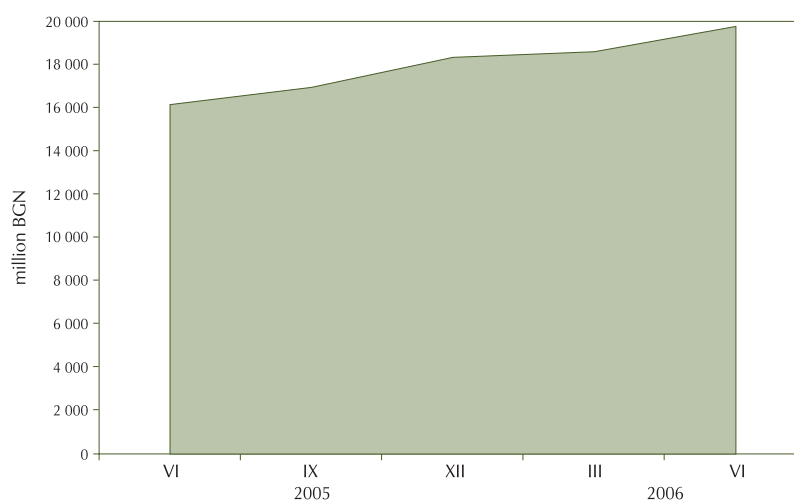


Chart 28
Credit Structure as of June 2006

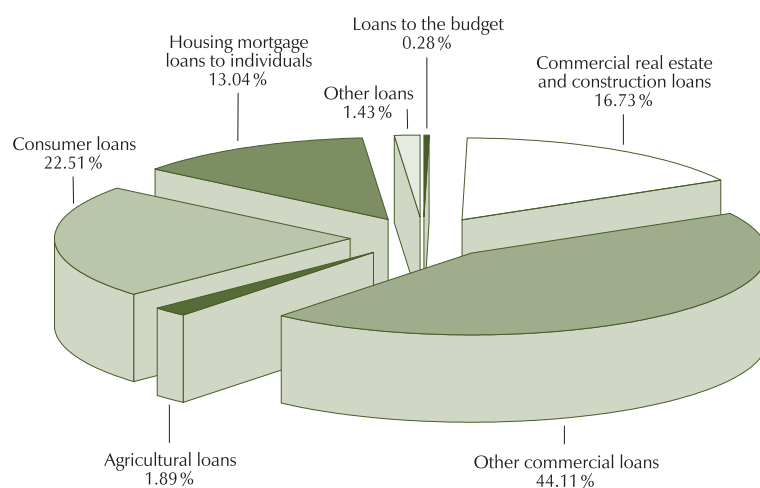


Chart 29

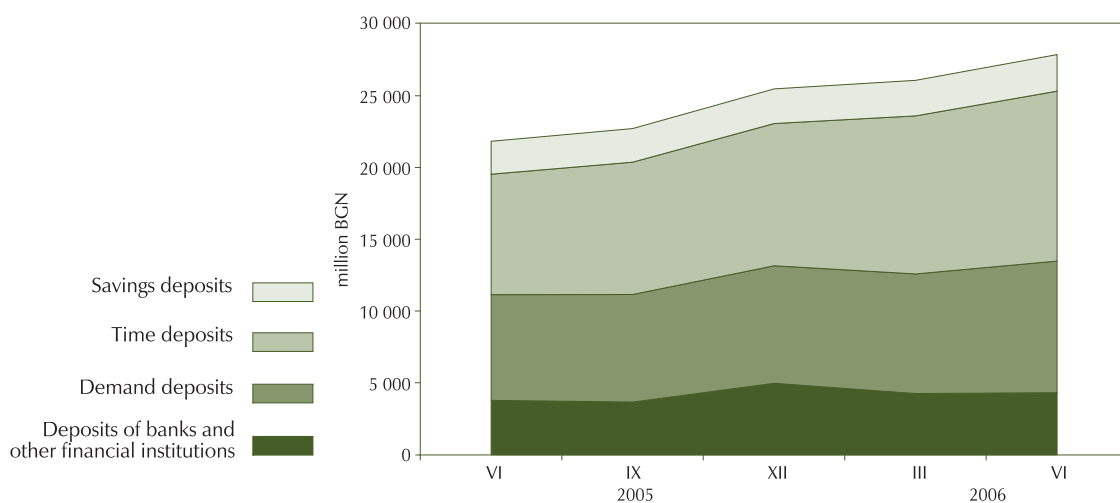
Deposits of Financial and Non-financial Institutions by Quarter

Chart 30

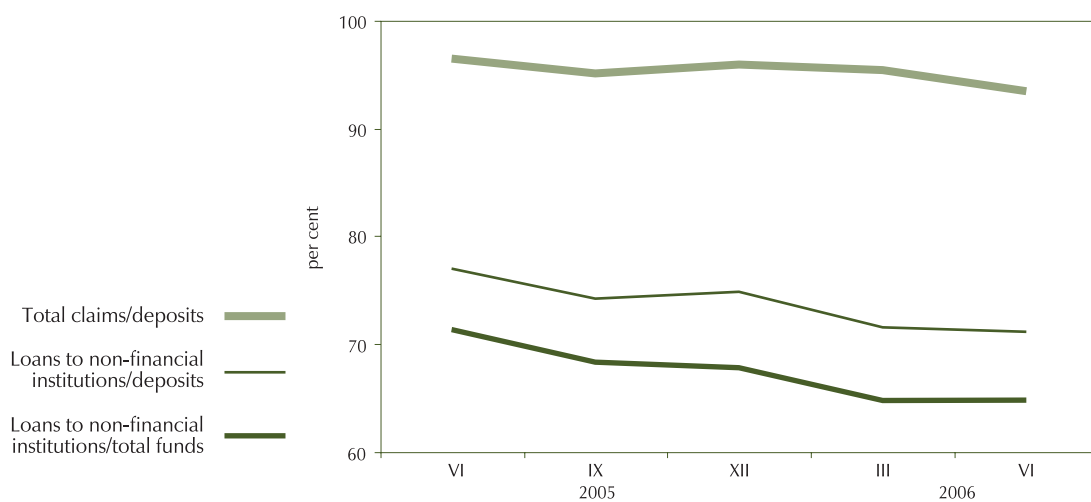
The Loans to Deposits Ratios

Chart 31

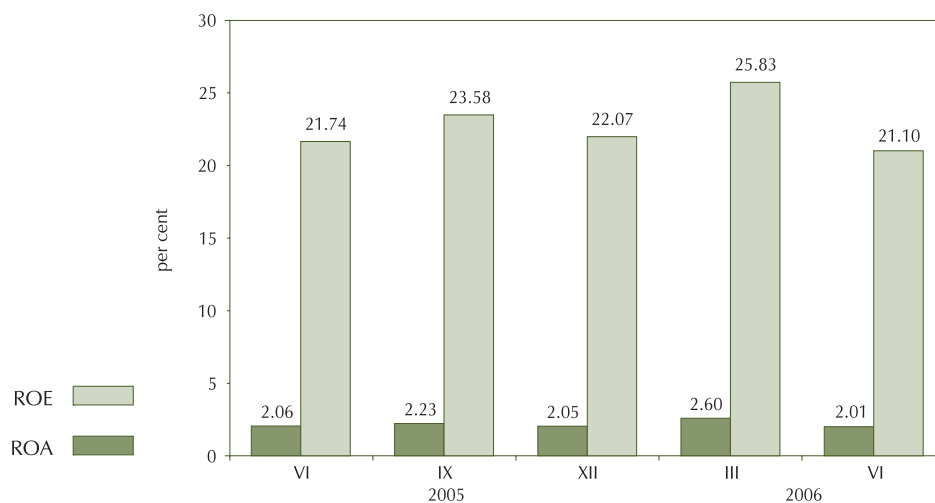
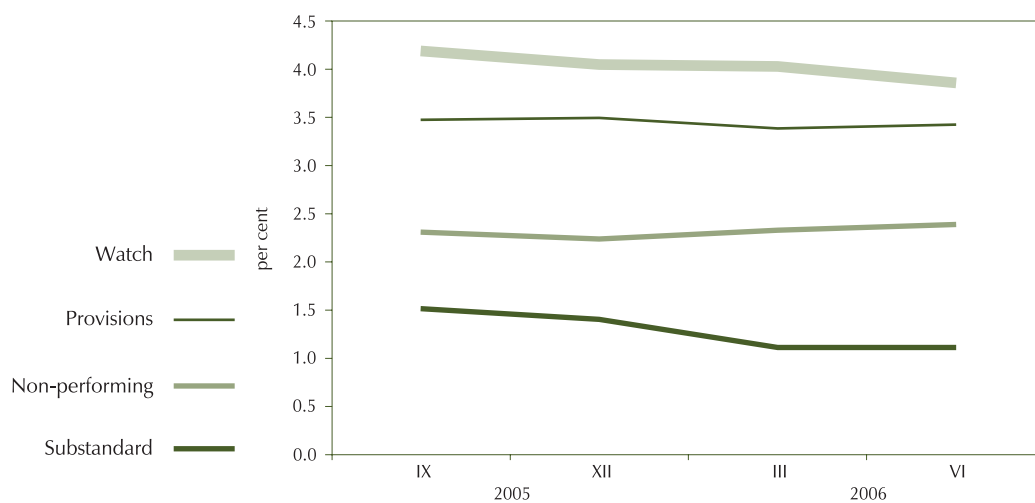
Return on Assets (ROA) and Return on Equity (ROE)

Chart 32

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 income from core operations since early year as a percentage of average assets since early year)	Income from core operations since early year (= net interest income + trading portfolio profit/loss + income 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 income as a percentage of average assets since the beginning of the year	Non-interest income 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 income from core operations)	Non-interest expenditure since the beginning of the year/ income 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 1 capital adequacy ratio	Tier 1 capital/total risk component
2.	Total capital adequacy ratio	Equity (capital base)/total risk component
3.	Tier 1 capital leverage	Tier 1 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 1 capital growth in last 12 months	Tier 1 capital (current quarter, current year) – tier 1 capital (corresponding quarter, previous year)/tier 1 capital (corresponding quarter, previous year)
2.	Capital base growth in last 12 months	Capital base (current quarter, current year) – capital base (corresponding quarter, previous year)/capital base (corresponding quarter, previous year)
3.	Asset growth in last 12 months	Total assets (current quarter, current year) – total assets (corresponding quarter, previous year)/total assets (corresponding quarter, previous year)
4.	Credit growth in last 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 last 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 last 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 of commercial banks</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-July 2006). 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 largest assets. It includes Bulbank, DSK Bank, United Bulgarian Bank, HVB Bank Biochim, First Investment Bank, Raiffeisenbank, Bulgaria, Bulgarian Post Bank, Société Générale Expressbank, Piraeus Bank Bulgaria and Economic and Investment Bank.*

Group II: *the other Bulgarian banks. It includes DZI Bank, Hebros Commercial Bank, Municipal Bank, Central Cooperative Bank, Corporate Commercial Bank, Allianz Bulgaria Commercial Bank, MKB Unionbank, Bulgarian-American Credit Bank, ProCredit Bank, BNP Paribas (Bulgaria), International Asset Bank, Investbank, Emporiki Bank – Bulgaria, Encouragement Bank, D Commerce Bank, Tokuda Bank, NLB WestEast Bank and Texim Private Entrepreneurial Bank.*

Group III: *branches of foreign banks in Bulgaria. It includes ING Bank N. V., National Bank of Greece, Citibank N. A., Alpha Bank and 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 June 2006 (under Ordinance No. 8 of the BNB)	47
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CAPITAL ADEQUACY OF COMMERCIAL BANKS AS OF 30 JUNE 2006

(under Ordinance No. 8 of the BNB)

Banks	Equity (BGN'000)	Tier 1 capital (BGN'000)	Risk component (%)	Capital adequacy ratio (%)	Tier 1 capital ratio (%)
Group I	2 800 062	2 275 813	17 696 427	15.82	12.86
Group II	834 527	752 355	5 015 086	16.64	15.00
Banking system, total	3 634 589	3 028 168	22 711 513	16.00	13.33

Source: BNB.

CREDIT PORTFOLIO OF COMMERCIAL BANKS

(under Ordinance No. 9 of the BNB)

Bank groups	Loans	June 2006
Group I	Total (BGN'000)	19 166 272
	Standard (%)	94.07
	Watch (%)	3.01
	Substandard (%)	0.96
	Non-performing (%)	1.96
	Provisions (%)	2.83
Group II	Total (BGN'000)	6 048 144
	Standard (%)	95.04
	Watch (%)	2.73
	Substandard (%)	0.63
	Non-performing (%)	1.60
	Provisions (%)	2.19
Group III	Total (BGN'000)	777 510
	Standard (%)	97.28
	Watch (%)	2.62
	Substandard (%)	0.00
	Non-performing (%)	0.10
	Provisions (%)	0.36
Banking system, total	Total (BGN'000)	25 991 926
	Standard (%)	94.39
	Watch (%)	2.93
	Substandard (%)	0.85
	Non-performing (%)	1.82
	Provisions (%)	2.61

Source: BNB.

LIQUIDITY OF COMMERCIAL BANKS AS OF 30 JUNE 2006

(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	8 347 229	1 419 075						
ASSETS, TOTAL – inflow	25 540 855	1 652 616	8 387 742	2 107 989	767 662	1 337 222	3 025 533	9 914 707
BORROWED FUNDS, TOTAL (DEPOSITS)	23 569 404		6 884 501	4 291 864	1 885 981	1 765 058	1 758 361	6 983 639
Coefficient of liquid assets	29.39							
Adjusted coefficient of liquid assets to deposits			121.84	78.20	40.70	75.76	172.07	141.97
Group II								
Liquid assets, total	3 551 548	425 811						
ASSETS, TOTAL – inflow	8 202 902	633 931	3 527 690	291 582	299 258	578 933	816 450	2 688 989
BORROWED FUNDS, TOTAL (DEPOSITS)	7 681 788		2 393 051	924 319	859 890	1 081 389	1 010 657	1 412 482
Coefficient of liquid assets	40.69							
Adjusted coefficient of liquid assets to deposits			147.41	147.99	76.14	53.54	80.78	190.37
Group III								
Liquid assets, total	319 242	1 970						
ASSETS, TOTAL – inflow	938 486	2 275	630 174	32 774	7 396	13 675	80 115	174 352
BORROWED FUNDS, TOTAL (DEPOSITS)	886 690		575 805	81 855	23 120	7 327	4 140	194 443
Coefficient of liquid assets	35.78							
Adjusted coefficient of liquid assets to deposits			109.44	40.04	31.99	186.64	1 935.14	89.67
BANKING SYSTEM, TOTAL								
Liquid assets, total	12 218 019	1 846 856						
ASSETS, TOTAL – inflow	34 682 243	2 288 822	12 545 606	2 432 345	1 074 316	1 929 830	3 922 098	12 778 048
BORROWED FUNDS, TOTAL (DEPOSITS)	32 137 882		9 853 357	5 298 038	2 768 991	2 853 774	2 773 158	8 590 564
Coefficient of liquid assets	32.27							
Adjusted coefficient of liquid assets to deposits			127.32	88.74	38.80	67.62	141.43	148.75

Source: BNB.

HIGH LIQUIDITY ASSET RATIOS

(share of deposits, %)

Commercial bank groups		June 2006
Group I	Primary liquidity	14.95
	Secondary liquidity	29.39
Group II	Primary liquidity	15.16
	Secondary liquidity	40.69
Group III	Primary liquidity	9.81
	Secondary liquidity	35.78
Banking system, total	Primary liquidity	14.84
	Secondary liquidity	32.27

Source: BNB.

IV. Balance Sheets and Income Statements

(as of June 2006)

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Income Statement of Group III Banks	65

BALANCE SHEET OF THE BANKING SYSTEM AS OF 30 JUNE 2006

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
ASSETS					
Vault cash and current accounts with the BNB	4 124 881		1 613 106	2 391 897	119 878
Claims on financial institutions					
Demand deposits with banks	782 874	77 612	10 189	428 592	266 481
Time deposits with banks	5 136 790	108 514	1 234 679	2 259 759	1 533 838
Loans to banks	71 151	0	1 953	51 397	17 801
Other claims on banks	9 962	0	4 493	3 920	1 549
Loans to other financial institutions	185 247	0	24 283	160 964	0
Claims on financial institutions, total	6 186 024	186 126	1 275 597	2 904 632	1 819 669
Less: specific provisions	1 370		844	512	14
Claims on financial institutions, net	6 184 654	186 126	1 274 753	2 904 120	1 819 655
Claims under repurchase agreements	318 668	0	106 930	171 719	40 019
Trading portfolio	2 043 575	269	846 101	715 092	482 113
Investment portfolio					
Investments held to maturity	1 155 279	0	481 552	354 092	319 635
Investments available for sale	1 725 264	0	643 390	799 041	282 833
Loans to non-financial institutions and other customers					
Loans to budget	56 038		32 640	23 398	0
Commercial loans					
Commercial real estate and construction loans	3 313 786		688 265	2 502 400	123 121
Other commercial loans	8 735 875		3 745 776	4 664 641	325 458
Agricultural loans	374 464		296 627	75 255	2 582
Consumer loans	4 459 492		4 206 301	229 936	23 255
Housing mortgage loans to individuals	2 582 465		1 750 346	812 273	19 846
Other loans	283 782	0	138 792	126 591	18 399
Loans to non-financial institutions and other customers, total	19 805 902	0	10 858 747	8 434 494	512 661
Less: specific provisions	676 662		478 349	172 821	25 492
Loans to non-financial institutions and other customers, net	19 129 240	0	10 380 398	8 261 673	487 169
Memo: purchased loans	4 426				
Assets for resale	20 239		20 239	0	0
Investments in subsidiaries, associated and joint-venture companies	54 870		54 870	0	0
Other assets					
Hedging derivatives	2 476	0	544	8	1 924
Other assets	292 789	682	214 796	54 483	22 828
Other assets, total	295 265	682	215 340	54 491	24 752
Intangible assets	88 919		88 756	0	163
Premises and other fixed assets	846 232		845 735	0	497
Assets, total	35 987 086	187 077	16 571 170	15 652 125	3 576 714

(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	176 952	3 624	60 025	52 315	60 988
Time deposits of banks	2 434 947	62	1 033 553	1 103 581	297 751
Deposits of other financial institutions	1 698 533	0	693 562	966 550	38 421
Deposits of non-financial institutions and other customers					
Demand deposits	9 141 298	0	5 727 461	2 751 454	662 383
Time deposits	11 795 738	0	4 232 196	5 103 943	2 459 599
Savings deposits	2 541 682	0	1 298 667	825 383	417 632
Deposits, total	27 789 150	3 686	13 045 464	10 803 226	3 936 774
Borrowings under repurchase agreements	415 014	0	89 344	287 399	38 271
Short-term borrowings					
From the BNB	0		0	0	0
From banks	237 457	0	8 002	229 448	7
Other	46 487	0	26 530	10 217	9 740
Long-term borrowings	2 417 166	0	289 229	2 032 965	94 972
Memo: borrowings from banks	1 646 181	0	85 979	1 520 945	39 257
Subordinated term debt and debt/equity (hybrid) instruments					
Subordinated term debt	190 092		25 484	163 982	626
Debt/equity (hybrid) instruments	290 814		11 083	279 731	0
Other liabilities					
Trading portfolio liabilities	46 443	671	1 541	34 970	9 261
Hedging derivatives	6 196	0	5 431	765	0
Specific provisions on off-balance sheet commitments	47 443	0	4 712	2 428	40 303
Other liabilities	687 065	16 597	437 277	173 348	59 843
Liabilities, total	32 173 327	20 954	13 944 097	14 018 479	4 189 797
Minority interest in consolidated subsidiaries	0		0	0	0
Equity					
Common stock	1 340 201		1 340 201		
Share premium on common stock	1 767		1 767		
Preferred stock and related premium	0		0		
Reserves					
Retained profit/loss, previous years	88 572	40 759	47 813		
Statutory reserves	895 959		895 959		
Other reserves	914 619	25 437	889 182		
Cumulative foreign exchange translation adjustment	0		0		
Other equity components					
Revaluation – fixed assets	236 708	0	236 708		
Revaluation – investments available for sale	-7 388	-1 042	-6 346		
Revaluation – cash flow hedges	0	0	0		
Profit/loss, current year	341 968		341 968		
One-off effect of the change in accounting regime	1 353	0	1 353		
Equity, total	3 813 759	65 154	3 748 605		
Liabilities, minority interest, and capital, total	35 987 086	86 108	17 692 702	14 018 479	4 189 797
Memo: credit substitutes and other off-balance sheet commitments	6 271 505	22 583	2 782 827	2 750 244	715 851

INCOME STATEMENT OF THE BANKING SYSTEM

(June 2006)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME					
Interest income from demand deposits with banks	5 549	2 260	66	2 514	709
Interest income from time deposits with banks	72 012	4 122	8 172	23 687	36 031
Interest income from loans to banks	1 249	0	49	822	378
Interest income from other claims on banks	846	0	9	321	516
Interest income from loans to other financial institutions	5 000	0	1 247	3 735	18
Interest income from claims under repurchase agreements	4 494	0	1 217	2 235	1 042
Interest income from trading portfolio	55 325	0	29 151	13 333	12 841
Interest income from investment portfolio	61 605	0	26 082	22 292	13 231
Bulgarian government securities	29 638		19 667	8 951	1 020
Other domestic debt securities	10 009	0	5 924	3 559	526
Debt securities issued by foreign governments and international financial institutions	11 064		193	6 017	4 854
Other external debt securities	10 894	0	298	3 765	6 831
Interest income from loans	918 892	0	554 089	331 553	33 250
Loans to budget	1 429		1 361	68	0
Commercial real estate and construction loans	156 710		32 696	113 726	10 288
Other commercial loans	374 485		180 738	172 827	20 920
Agricultural loans	14 220		11 442	2 528	250
Consumer loans	267 781		258 503	8 879	399
Housing mortgage loans to individuals	94 122		65 231	28 009	882
Other loans	10 145	0	4 118	5 516	511
Dividend income	623	0	573	50	0
Interest and dividend income, total	1 125 595	6 382	620 655	400 542	98 016
INTEREST EXPENDITURE					
Interest expenditure on deposits of banks	26 848	1 572	7 780	11 750	5 746
Interest expenditure on deposits of other financial institutions	41 808	0	11 424	29 408	976
Interest expenditure on demand deposits of non-financial institutions and other customers	28 691	0	17 651	8 992	2 048
Interest expenditure on time deposits of non-financial institutions and other customers	183 138	0	77 641	68 653	36 844
Interest expenditure on savings deposits of non-financial institutions and other customers	19 332	0	12 848	4 650	1 834
Interest expenditure on borrowings under repurchase agreements	3 700	0	1 176	1 574	950
Interest expenditure on short-term borrowings	6 286	0	926	4 799	561
Interest expenditure on long-term borrowings	48 175	0	6 018	38 150	4 007
Interest expenditure on subordinated term debt	6 160	0	188	5 940	32
Interest expenditure on debt/equity (hybrid) instruments	8 427		83	8 344	0
Interest expenditure on other liabilities	4 022		51	1 630	2 339
Interest expenditure, total	376 587	1 574	135 786	183 890	55 337
INTEREST AND DIVIDEND INCOME, NET	749 008	4 808	484 869	216 652	42 679
CREDIT PROVISIONS					
Accrued provisions	305 550	0			
Reintegrated provisions	233 826	0			
Credit provisions, net	71 724	0			

(continued)

(continued)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS					
Gain/loss on securities trading portfolio	-46 709	0			
Gain/loss on derivatives held for trading	8 089	0			
Gain/loss on other instruments in trading portfolio	252	0			
Trading portfolio gain/loss, total	-38 368	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE					
Gain/loss on investments available for sale	2 223	0			
Gain/loss on instruments effectively hedging investments available for sale	-141	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	5 688	0			
OTHER NON-INTEREST INCOME					
Loan servicing income	79 144	0			
Fee income on off-balance sheet accounts	17 126	0			
Service charges on deposits	85 743	0			
Other fees and commissions	87 600	0			
Gain/loss on assets held for resale	-175	0			
Gain/loss on sale of other assets	18 922	0			
Gain/loss on foreign currency transactions	26 043	-386			
Other non-interest income	23 284	1 257			
NON-INTEREST EXPENDITURE					
Salary, social security, and pension expenditure	197 468				
Occupancy expenditure, net	101 986				
External service expenditure paid to shareholders, subsidiaries and associated companies	7 597				
Other external service expenditure	153 209	804			
Other non-interest expenditure	153 920	0			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	370 193	4 875			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	27 267	346			
EXTRAORDINARY GAIN/LOSS	4 698	0			
TAX	60 190				
MINORITY INTEREST	0				
PROFIT/LOSS, NET	341 968	5 221			

BALANCE SHEET OF GROUP I BANKS AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	3 035 427	998 092	1 956 645	80 690
Claims on financial institutions				
Demand deposits with banks	604 062	7 412	376 904	219 746
Time deposits with banks	3 088 449	825 064	1 371 738	891 647
Loans to banks	49 631	0	31 830	17 801
Other claims on banks	9 340	4 204	3 718	1 418
Loans to other financial institutions	134 351	16 475	117 876	0
Claims on financial institutions, total	3 885 833	853 155	1 902 066	1 130 612
Less: specific provisions	945	555	376	14
Claims on financial institutions, net	3 884 888	852 600	1 901 690	1 130 598
Claims under repurchase agreements	92 575	24 554	66 273	1 748
Trading portfolio	1 626 228	537 496	637 899	450 833
Investment portfolio				
Investments held to maturity	938 011	366 107	270 911	300 993
Investments available for sale	1 224 263	425 469	582 365	216 429
Loans to non-financial institutions and other customers				
Loans to budget	39 918	17 995	21 923	0
Commercial loans				
Commercial real estate and construction loans	2 219 373	440 174	1 711 892	67 307
Other commercial loans	6 425 016	2 473 715	3 766 476	184 825
Agricultural loans	226 611	163 254	61 530	1 827
Consumer loans	4 018 550	3 816 112	185 439	16 999
Housing mortgage loans to individuals	2 217 990	1 588 287	617 268	12 435
Other loans	132 981	78 312	45 150	9 519
Loans to non-financial institutions and other customers, total	15 280 439	8 577 849	6 409 678	292 912
Less: specific provisions	541 658	406 850	118 223	16 585
Loans to non-financial institutions and other customers, net	14 738 781	8 170 999	6 291 455	276 327
Memo: purchased loans	3 570			
Assets for resale	9 833	9 833	0	0
Investments in subsidiaries, associated and joint-venture companies	47 295	47 295	0	0
Other assets				
Hedging derivatives	2 476	544	8	1 924
Other assets	186 390	135 071	36 870	14 449
Other assets, total	188 866	135 615	36 878	16 373
Intangible assets	63 951	63 788	0	163
Premises and other fixed assets	642 420	641 923	0	497
Assets, total	26 492 538	12 273 771	11 744 116	2 474 651

(continued)

(continued)	(BGN'000)			
	Total	Including		
		BGN	EUR	Other currencies
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions				
Demand deposits of banks	82 463	29 064	34 354	19 045
Time deposits of banks	1 957 907	794 930	913 553	249 424
Deposits of other financial institutions	1 301 756	417 565	873 392	10 799
Deposits of non-financial institutions and other customers				
Demand deposits	6 162 021	3 863 044	1 808 036	490 941
Time deposits	8 689 932	3 263 225	3 648 906	1 777 801
Savings deposits	2 103 575	1 117 792	639 288	346 495
Deposits, total	20 297 654	9 485 620	7 917 529	2 894 505
Borrowings under repurchase agreements	394 495	68 825	287 399	38 271
Short-term borrowings				
From the BNB	0	0	0	0
From banks	98 041	0	98 041	0
Other	16 489	16 208	281	0
Long-term borrowings	1 781 729	224 059	1 468 487	89 183
Memo: borrowings from banks	1 315 147	85 979	1 189 911	39 257
Subordinated term debt and debt/equity (hybrid) instruments				
Subordinated term debt	136 594	0	136 594	0
Debt/equity (hybrid) instruments	259 797	0	259 797	0
Other liabilities				
Trading portfolio liabilities	44 084	1 512	34 420	8 152
Hedging derivatives	5 431	5 431	0	0
Specific provisions on off-balance sheet commitments	47 443	4 712	2 428	40 303
Other liabilities	522 404	356 906	126 950	38 548
Liabilities, total	23 604 161	10 163 273	10 331 926	3 108 962
Minority interest in consolidated subsidiaries	0	0	0	0
Equity				
Common stock	834 863	834 863		
Share premium on common stock	0	0		
Preferred stock and related premium	0	0		
Reserves				
Retained profit/loss, previous years	54 095	54 095		
Statutory reserves	714 004	714 004		
Other reserves	785 559	785 559		
Cumulative foreign exchange translation adjustment	0	0		
Other equity components				
Revaluation – fixed assets	222 157	222 157		
Revaluation – investments available for sale	-753	-753		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	278 452	278 452		
One-off effect of the change in accounting regime	0	0		
Equity, total	2 888 377	2 888 377		
Liabilities, minority interest, and capital, total	26 492 538	13 051 650	10 331 926	3 108 962
Memo: credit substitutes and other off-balance sheet commitments	4 178 401	1 719 705	1 958 291	500 405

INCOME STATEMENT OF GROUP I BANKS

(June 2006)

(BGN'000)				
	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME				
Interest income from demand deposits with banks	2 757	3	2 195	559
Interest income from time deposits with banks	44 781	5 582	14 934	24 265
Interest income from loans to banks	905	27	502	376
Interest income from other claims on banks	839	2	321	516
Interest income from loans to other financial institutions	3 077	790	2 287	0
Interest income from claims under repurchase agreements	1 502	410	1 017	75
Interest income from trading portfolio	42 869	20 978	10 277	11 614
Interest income from investment portfolio	46 924	21 485	14 420	11 019
Bulgarian government securities	22 516	15 770	6 368	378
Other domestic debt securities	5 854	5 297	231	326
Debt securities issued by foreign governments and international financial institutions	9 248	169	5 004	4 075
Other external debt securities	9 306	249	2 817	6 240
Interest income from loans	700 295	451 639	229 838	18 818
Loans to budget	909	903	6	0
Commercial real estate and construction loans	96 225	20 831	69 661	5 733
Other commercial loans	266 923	125 257	129 368	12 298
Agricultural loans	6 469	4 673	1 783	13
Consumer loans	246 879	239 684	6 921	274
Housing mortgage loans to individuals	78 693	58 407	19 801	485
Other loans	4197	1884	2298	15
Dividend income	27	27	0	0
Interest and dividend income, total	843 976	500 943	275 791	67 242
INTEREST EXPENDITURE				
Interest expenditure on deposits of banks	20 583	6 454	9 446	4 683
Interest expenditure on deposits of other financial institutions	33 886	5 667	28 007	212
Interest expenditure on demand deposits of non-financial institutions and other customers	18 771	10 520	6 889	1 362
Interest expenditure on time deposits of non-financial institutions and other customers	126 529	59 124	43 049	24 356
Interest expenditure on savings deposits of non-financial institutions and other customers	13 023	9 337	2 600	1 086
Interest expenditure on borrowings under repurchase agreements	3 082	575	1 557	950
Interest expenditure on short-term borrowings	1 909	116	1 545	248
Interest expenditure on long-term borrowings	31 866	5 341	23 851	2 674
Interest expenditure on subordinated term debt	5 546	0	5 546	0
Interest expenditure on debt/equity (hybrid) instruments	7 587	0	7 587	0
Interest expenditure on other liabilities	3 379	25	1 457	1 897
Interest expenditure, total	266 161	97 159	131 534	37 468
INTEREST AND DIVIDEND INCOME, NET	577 815	403 784	144 257	29 774
CREDIT PROVISIONS				
Accrued provisions	238 021			
Reintegrated provisions	182 726			
Credit provisions, net	55 295			

(continued)

(continued)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading portfolio	-39 182			
Gain/loss on derivatives held for trading	6 230			
Gain/loss on other instruments in trading portfolio	355			
Trading portfolio gain/loss, total	-32 597			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE				
Gain/loss on investments available for sale	1 330			
Gain/loss on instruments effectively hedging investments available for sale	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	5 959			
OTHER NON-INTEREST INCOME				
Loan servicing income	65 043			
Fee income on off-balance sheet accounts	10 319			
Service charges on deposits	66 502			
Other fees and commissions	66 056			
Gain/loss on assets held for resale	-110			
Gain/loss on sale of other assets	1 096			
Gain/loss on foreign currency transactions	18 041			
Other non-interest income	17 123			
NON-INTEREST EXPENDITURE				
Salary, social security, and pension expenditure	134 379			
Occupancy expenditure, net	65 041			
External service expenditure paid to shareholders, subsidiaries and associated companies	4 354			
Other external service expenditure	119 952			
Other non-interest expenditure	117 389			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	300 167			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	23 276			
EXTRAORDINARY GAIN/LOSS	4 612			
TAX	49 603			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	278 452			

BALANCE SHEET OF GROUP II BANKS AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	1 005 255	557 692	410 337	37 226
Claims on financial institutions				
Demand deposits with banks	100 259	2 771	51 442	46 046
Time deposits with banks	1 833 598	343 908	852 422	637 268
Loans to banks	19 567	0	19 567	0
Other claims on banks	622	289	202	131
Loans to other financial institutions	45 457	5 167	40 290	0
Claims on financial institutions, total	1 999 503	352 135	963 923	683 445
Less: specific provisions	425	289	136	0
Claims on financial institutions, net	1 999 078	351 846	963 787	683 445
Claims under repurchase agreements	226 093	82 376	105 446	38 271
Trading portfolio	379 157	284 926	68 052	26 179
Investment portfolio				
Investments held to maturity	217 268	115 445	83 181	18 642
Investments available for sale	459 586	201 872	195 205	62 509
Loans to non-financial institutions and other customers				
Loans to budget	16 120	14 645	1 475	0
Commercial loans				
Commercial real estate and construction loans	1 012 165	238 049	726 386	47 730
Other commercial loans	1 957 501	1 048 195	785 033	124 273
Agricultural loans	147 810	133 342	13 725	743
Consumer loans	438 609	388 166	44 267	6 176
Housing mortgage loans to individuals	349 317	154 372	187 561	7 384
Other loans	127 119	60 306	57 956	8 857
Loans to non-financial institutions and other customers, total	4 048 641	2 037 075	1 816 403	195 163
Less: specific provisions	132 176	70 972	53 070	8 134
Loans to non-financial institutions and other customers, net	3 916 465	1 966 103	1 763 333	187 029
Memo: purchased loans	856			
Assets for resale	10 406	10 406	0	0
Investments in subsidiaries, associated and joint-venture companies	7 575	7 575	0	0
Other assets				
Hedging derivatives	0	0	0	0
Other assets	97 271	73 982	16 776	6 513
Other assets, total	97 271	73 982	16 776	6 513
Intangible assets	24 109	24 109	0	0
Premises and other fixed assets	194 147	194 147	0	0
Assets, total	8 536 410	3 870 479	3 606 117	1 059 814

(continued)

(continued)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions				
Demand deposits of banks	53 352	3 124	13 651	36 577
Time deposits of banks	450 338	228 622	173 389	48 327
Deposits of other financial institutions	360 611	262 016	73 640	24 955
Deposits of non-financial institutions and other customers				
Demand deposits	2 430 269	1 621 272	671 330	137 667
Time deposits	2 917 627	933 682	1 351 980	631 965
Savings deposits	420 606	178 852	173 538	68 216
Deposits, total	6 632 803	3 227 568	2 457 528	947 707
Borrowings under repurchase agreements	20 519	20 519	0	0
Short-term borrowings				
From the BNB	0	0	0	0
From banks	139 303	8 002	131 301	0
Other	29 998	10 322	9 936	9 740
Long-term borrowings	635 437	65 170	564 478	5 789
Memo: borrowings from banks	331 034	0	331 034	0
Subordinated term debt and debt/equity (hybrid) instruments				
Subordinated term debt	53 498	25 484	27 388	626
Debt/equity (hybrid) instruments	31 017	11 083	19 934	0
Other liabilities				
Trading portfolio liabilities	323	29	279	15
Hedging derivatives	765	0	765	0
Specific provisions on off-balance sheet commitments	0	0	0	0
Other liabilities	138 805	76 992	45 403	16 410
Liabilities, total	7 682 468	3 445 169	3 257 012	980 287
Minority interest in consolidated subsidiaries	0	0	0	0
Equity				
Common stock	505 338	505 338		
Share premium on common stock	1 767	1 767		
Preferred stock and related premium	0	0		
Reserves				
Retained profit/loss, previous years	-6 282	-6 282		
Statutory reserves	181 955	181 955		
Other reserves	103 623	103 623		
Cumulative foreign exchange translation adjustment	0	0		
Other equity components				
Revaluation – fixed assets	14 551	14 551		
Revaluation – investments available for sale	-5 593	-5 593		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	57 230	57 230		
One-off effect of the change in accounting regime	1 353	1 353		
Equity, total	853 942	853 942		
Liabilities, minority interest, and capital, total	8 536 410	4 299 111	3 257 012	980 287
Memo: credit substitutes and other off-balance sheet commitments	1 443 763	872 943	438 573	132 247

INCOME STATEMENT OF GROUP II BANKS

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME				
Interest income from demand deposits with banks	332	0	192	140
Interest income from time deposits with banks	22 364	1 943	8 664	11 757
Interest income from loans to banks	322	0	320	2
Interest income from other claims on banks	7	7	0	0
Interest income from loans to other financial institutions	1 722	363	1 341	18
Interest income from claims under repurchase agreements	2 984	799	1 218	967
Interest income from trading portfolio	11 661	7 378	3 056	1 227
Interest income from investment portfolio	13 603	4 211	7 310	2 082
Bulgarian government securities	6 736	3 511	2 583	642
Other domestic debt securities	4 155	627	3 328	200
Debt securities issued by foreign governments and international financial institutions	1 124	24	451	649
Other external debt securities	1 588	49	948	591
Interest income from loans	207 197	97 303	96 572	13 322
Loans to budget	520	458	62	0
Commercial real estate and construction loans	57 428	11 590	41 608	4 230
Other commercial loans	100 714	51 113	41 597	8 004
Agricultural loans	7 510	6 699	736	75
Consumer loans	20 769	18 695	1 953	121
Housing mortgage loans to individuals	14 972	6 518	8 058	396
Other loans	5284	2230	2558	496
Dividend income	596	546	50	0
Interest and dividend income, total	260 788	112 550	118 723	29 515
INTEREST EXPENDITURE				
Interest expenditure on deposits of banks	3 552	888	1 898	766
Interest expenditure on deposits of other financial institutions	7 663	5 712	1 219	732
Interest expenditure on demand deposits of non-financial institutions and other customers	7 920	6 257	1 083	580
Interest expenditure on time deposits of non-financial institutions and other customers	54 884	18 334	24 847	11 703
Interest expenditure on savings deposits of non-financial institutions and other customers	6 295	3 509	2 041	745
Interest expenditure on borrowings under repurchase agreements	618	601	17	0
Interest expenditure on short-term borrowings	4 110	810	2 994	306
Interest expenditure on long-term borrowings	16 309	677	14 299	1 333
Interest expenditure on subordinated term debt	614	188	394	32
Interest expenditure on debt/equity (hybrid) instruments	840	83	757	0
Interest expenditure on other liabilities	641	26	173	442
Interest expenditure, total	103 446	37 085	49 722	16 639
INTEREST AND DIVIDEND INCOME, NET	157 342	75 465	69 001	12 876
CREDIT PROVISIONS				
Accrued provisions	66 440			
Reintegrated provisions	49 204			
Credit provisions, net	17 236			

(continued)

(continued)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading portfolio	-7 829			
Gain/loss on derivatives held for trading	512			
Gain/loss on other instruments in trading portfolio	0			
Trading portfolio gain/loss, total	-7 317			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE				
Gain/loss on investments available for sale	1 029			
Gain/loss on instruments effectively hedging investments available for sale	-141			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-271			
OTHER NON-INTEREST INCOME				
Loan servicing income	13 685			
Fee income on off-balance sheet accounts	6 448			
Service charges on deposits	18 236			
Other fees and commissions	18 323			
Gain/loss on assets held for resale	-65			
Gain/loss on sale of other assets	17 826			
Gain/loss on foreign currency transactions	6493			
Other non-interest income	3 975			
NON-INTEREST EXPENDITURE				
Salary, social security, and pension expenditure	57 347			
Occupancy expenditure, net	34 259			
External service expenditure paid to shareholders, subsidiaries and associated companies	3 243			
Other external service expenditure	27 552			
Other non-interest expenditure	32 984			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	62 942			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	3 672			
EXTRAORDINARY GAIN/LOSS	100			
TAX	9 484			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	57 230			

BALANCE SHEET OF GROUP III BANKS AS OF 30 JUNE 2006

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	84 199		84 199	57 322	24 915	1 962
Claims on financial institutions						
Demand deposits with banks	78 553	77 612	941	6	246	689
Time deposits with banks	214 743	108 514	106 229	65 707	35 599	4 923
Loans to banks	1 953	0	1 953	1 953	0	0
Other claims on banks	0	0	0	0	0	0
Loans to other financial institutions	5 439	0	5 439	2 641	2 798	0
Claims on financial institutions, total	300 688	186 126	114 562	70 307	38 643	5 612
Less: specific provisions	0	0	0	0	0	0
Claims on financial institutions, net	300 688	186 126	114 562	70 307	38 643	5 612
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	38 190	269	37 921	23 679	9 141	5 101
Investment portfolio						
Investments held to maturity	0	0	0	0	0	0
Investments available for sale	41 415	0	41 415	16 049	21 471	3 895
Loans to non-financial institutions and other customers						
Loans to budget	0		0	0	0	0
Commercial loans						
Commercial real estate and construction loans	82 248		82 248	10 042	64 122	8 084
Other commercial loans	353 358		353 358	223 866	113 132	16 360
Agricultural loans	43		43	31	0	12
Consumer loans	2 333		2 333	2 023	230	80
Housing mortgage loans to individuals	15 158		15 158	7 687	7 444	27
Other loans	23 682	0	23 682	174	23 485	23
Loans to non-financial institutions and other customers, total	476 822	0	476 822	243 823	208 413	24 586
Less: specific provisions	2 828	0	2 828	527	1 528	773
Loans to non-financial institutions and other customers, net	473 994	0	473 994	243 296	206 885	23 813
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	9 128	682	8 446	5 743	837	1 866
Other assets, total	9 128	682	8 446	5 743	837	1 866
Intangible assets	859		859	859	0	0
Premises and other fixed assets	9 665		9 665	9 665	0	0
Assets, total	958 138	187 077	771 061	426 920	301 892	42 249

(continued)

(continued)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
LIABILITIES, RESERVES, AND FINANCIAL RESULT						
Deposits of financial institutions						
Demand deposits of banks	41 137	3 624	37 513	27 837	4 310	5 366
Time deposits of banks	26 702	62	26 640	10 001	16 639	0
Deposits of other financial institutions	36 166	0	36 166	13 981	19 518	2 667
Deposits of non-financial institutions and other customers						
Demand deposits	549 008	0	549 008	243 145	272 088	33 775
Time deposits	188 179	0	188 179	35 289	103 057	49 833
Savings deposits	17 501	0	17 501	2 023	12 557	2 921
Deposits, total	858 693	3 686	855 007	332 276	428 169	94 562
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings						
From the BNB	0		0	0	0	0
From banks	113	0	113	0	106	7
Other	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Memo: borrowings from banks	0	0	0	0	0	0
Other liabilities						
Trading portfolio liabilities	2 036	671	1 365	0	271	1 094
Hedging derivatives	0	0	0	0	0	0
Specific provisions on off-balance sheet commitments	0	0	0	0	0	0
Other liabilities	25 856	16 597	9 259	3 379	995	4 885
Liabilities, total	886 698	20 954	865 744	335 655	429 541	100 548
Reserves and financial result						
Reserves						
Retained profit/loss, previous years	40 759	40 759				
Other reserves	25 437	25 437				
Revaluation reserves						
Revaluation – fixed assets	0	0				
Revaluation – investments available for sale	-1 042	-1 042				
Revaluation – cash flow hedges	0	0				
Profit/loss, current year	6 286		6 286	6 286		
One-off effect of the change in accounting regime	0	0				
Reserves and financial result, total	71 440	65 154	6 286	6 286		
Liabilities, reserves, and financial result, total	958 138	86 108	872 030	341 941	429 541	100 548
Memo: credit substitutes and other off-balance sheet commitments	649 341	22 583	626 758	190 179	353 380	83 199

INCOME STATEMENT OF GROUP III BANKS

(June 2006)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME						
Interest income from demand deposits with banks	2 460	2 260	200	63	127	10
Interest income from time deposits with banks	4 867	4 122	745	647	89	9
Interest income from loans to banks	22	0	22	22	0	0
Interest income from other claims on banks	0	0	0	0	0	0
Interest income from loans to other financial institutions	201	0	201	94	107	0
Interest income from claims under repurchase agreements	8	0	8	8	0	0
Interest income from trading portfolio	795	0	795	795	0	0
Interest income from investment portfolio	1 078	0	1 078	386	562	130
Bulgarian government securities	386		386	386	0	0
Other domestic debt securities	0	0	0	0	0	0
External debt securities issued by foreign governments and international financial institutions	692		692	0	562	130
Other external debt securities	0	0	0	0	0	0
Interest income from loans	11 400	0	11 400	5 147	5 143	1 110
Loans to budget	0		0	0	0	0
Commercial real estate and construction loans	3 057		3 057	275	2 457	325
Other commercial loans	6 848		6 848	4 368	1 862	618
Agricultural loans	241		241	70	9	162
Consumer loans	133		133	124	5	4
Housing mortgage loans to individuals	457		457	306	150	1
Other loans	664	0	664	4	660	0
Dividend income	0	0	0	0	0	0
Interest and dividend income, total	20 831	6 382	14 449	7 162	6 028	1 259
INTEREST EXPENDITURE						
Interest expenditure on deposits of banks	2 713	1 572	1 141	438	406	297
Interest expenditure on deposits of other financial institutions	259	0	259	45	182	32
Interest expenditure on demand deposits of non-finacial institutions and other customers	2 000	0	2 000	874	1 020	106
Interest expenditure on time deposits of non-finacial institutions and other customers	1 725	0	1 725	183	757	785
Interest expenditure on savings deposits of non-finacial institutions and other customers	14	0	14	2	9	3
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on short-term borrowings	267	0	267	0	260	7
Interest expenditure on long-term borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	2	2	0	0	0	0
Interest expenditure, total	6 980	1 574	5 406	1 542	2 634	1 230
INTEREST AND DIVIDEND INCOME, NET	13 851	4 808	9 043	5 620	3 394	29
CREDIT PROVISIONS						
Accrued provisions	1 089	0	1 089			
Reintegrated provisions	1 896	0	1 896			
Credit provisions, net	-807	0	-807			

(continued)

(continued)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS						
Gain/loss on trading portfolio securities	302	0	302			
Gain/loss on derivatives held for trading	1 347	0	1 347			
Gain/loss on other instruments in trading portfolio	-103	0	-103			
Total trading portfolio gain/loss	1 546	0	1 546			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE						
Gain/loss on investments available for sale	-136	0	-136			
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	416	0	416			
Fee income on off-balance sheet accounts	359	0	359			
Service charges on deposits	1 005	0	1 005			
Other fees and commissions	3 221	0	3 221			
Gain/loss on assets held for resale	0	0	0			
Gain/loss on sale of other assets	0	0	0			
Gain/loss on foreign currency transactions	1 509	-386	1 895			
Other non-interest income	2 186	1 257	929			
NON-INTEREST EXPENDITURE						
Salary, social security, and pension expenditure	5 742		5 742			
Occupancy expenditure, net	2 686		2 686			
External service expenditure	5 705	804	4 901			
Other non-interest expenditure	3 547	0	3 547			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	7 084	4 875	2 209			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	319	346	-27			
EXTRAORDINARY GAIN/LOSS	-14	0	-14			
TAX	1 103		1 103			
PROFIT/LOSS, NET	6 286	5 221	1 065			

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

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Balance Sheets and Income Statements of Individual Commercial Banks

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

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	178 608	28 637	146 292	3 679
Claims on financial institutions, net	71 736	10 606	27 685	33 445
Claims under repurchase agreements	91 769	13 312	78 457	0
Trading portfolio	44 279	25 233	13 016	6 030
Investment portfolio	120 321	62 911	40 114	17 296
Loans to non-financial institutions and other customers, net	299 452	154 843	138 734	5 875
Loans to budget	0	0	0	0
Commercial loans	157 207	94 207	57 640	5 360
Commercial real estate and construction loans	55 558	29 040	25 494	1 024
Other commercial loans	101 649	65 167	32 146	4 336
Agricultural loans	7 431	7 431	0	0
Consumer loans	28 036	21 901	5 728	407
Housing mortgage loans to individuals	112 089	35 518	76 456	115
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	304 763	159 057	139 824	5 882
Less: specific provisions	5 311	4 214	1 090	7
Assets for resale	22	22	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	3 647	3 322	318	7
Intangible assets	2 106	2 106	0	0
Premises and other fixed assets	11 898	11 898	0	0
Assets, total	823 838	312 890	444 616	66 332
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	116 396	90 575	16 438	9 383
Demand deposits of banks	7	1	0	6
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	116 389	90 574	16 438	9 377
Deposits of non-financial institutions and other customers	558 015	221 884	281 479	54 652
Demand deposits	229 281	126 317	96 902	6 062
Time deposits	288 838	87 500	156 947	44 391
Savings deposits	39 896	8 067	27 630	4 199
Deposits, total	674 411	312 459	297 917	64 035
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	79 611	3 002	76 609	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	19 154	4 883	12 358	1 913
Liabilities, total	773 176	320 344	386 884	65 948
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	50 662	50 662		
Shareholder capital	26 500	26 500		
Reserves	21 263	21 263		
Profit/loss, current year	2 899	2 899		
Liabilities, minority interest, and capital, total	823 838	371 006	386 884	65 948
Memo: credit substitutes and other off-balance sheet commitments	93 599	42 367	39 493	11 739



ALLIANZ BULGARIA COMMERCIAL BANK

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	20 787	9 462	9 202	2 123
Interest income from claims on financial institutions	2 515	271	1 111	1 133
Interest income from claims under repurchase agreements	1 251	131	1 119	1
Interest income from trading portfolio	1 146	763	246	137
Interest income from investment portfolio	2 415	945	934	536
Interest income from loans	13 460	7 352	5 792	316
Dividend income	0	0	0	0
INTEREST EXPENDITURE	10 468	4 200	5 067	1 201
Interest expenditure on deposits of financial institutions	2 565	2 225	85	255
Interest expenditure on deposits of non-financial institutions and other customers	5 770	1 973	2 851	946
Interest expenditure on borrowings under repurchase agreements	2	2	0	0
Interest expenditure on borrowings	2 131	0	2 131	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	10 319	5 262	4 135	922
CREDIT PROVISIONS				
Accrued provisions	2 577			
Reintegrated provisions	2 205			
Credit provisions, net	372			
TRADING PORTFOLIO GAIN/LOSS	-1 180			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-102			
OTHER NON-INTEREST INCOME	4 894			
NON-INTEREST EXPENDITURE	10 627			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 932			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	478			
EXTRAORDINARY GAIN/LOSS	0			
TAX	511			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 899			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Svetoslav Veleslavov Gavriiski – Chief Executive Director Galya Dimitrova Dimitrova Georgi Yanchev Momchilov Hristo Borisov Babev
Shareholders (shares over 10%)	Allianz Bulgaria Holding Ltd. – 79.72%



ALPHA BANK, SOFIA BRANCH

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	22 242	0	22 242	4 258	16 894	1 090
Claims on financial institutions, net	30 958	25 837	5 121	5 000	93	28
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	166 775	0	166 775	18 679	139 985	8 111
Loans to budget	0	0	0	0	0	0
Commercial loans	135 405	0	135 405	18 417	108 904	8 084
Commercial real estate and construction loans	79 932	0	79 932	7 726	64 122	8 084
Other commercial loans	55 473	0	55 473	10 691	44 782	0
Agricultural loans	0	0	0	0	0	0
Consumer loans	303	0	303	117	186	0
Housing mortgage loans to individuals	7 616	0	7 616	145	7 444	27
Other loans	23 484	0	23 484	0	23 484	0
Loans to non-financial institutions and other customers, total	166 808	0	166 808	18 679	140 018	8 111
Less: specific provisions	33	0	33	0	33	0
Assets for resale	0	0	0	0	0	0
Other assets, net	2 952	58	2 894	2 698	90	106
Intangible assets	35	0	35	35	0	0
Premises and other fixed assets	8 223	0	8 223	8 223	0	0
Assets, total	231 197	25 895	205 302	38 905	157 062	9 335
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	27 779	62	27 717	10 654	17 054	9
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	16 909	62	16 847	10 001	6 846	0
Deposits of other financial institutions	10 870	0	10 870	653	10 208	9
Deposits of non-financial institutions and other customers	187 573	0	187 573	20 269	159 122	8 182
Demand deposits	100 503	0	100 503	15 823	83 842	838
Time deposits	69 569	0	69 569	2 423	62 723	4 423
Savings deposits	17 501	0	17 501	2 023	12 557	2 921
Deposits, total	215 352	62	215 290	30 923	176 176	8 191
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	8 106	7 780	326	279	6	41
Liabilities, total	223 458	7 842	215 616	31 202	176 182	8 232
Reserves and financial result, total	7 739	6 727	1 012	1 012		
Reserves	6 727	6 727	0	0		
Profit/loss, current year	1 012	0	1 012	1 012		
Liabilities, reserves, and financial result, total	231 197	14 569	216 628	32 214	176 182	8 232
Memo: credit substitutes and other off-balance sheet commitments	69 084	0	69 084	14 276	50 066	4 742



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	5 114	464	4 650	473	3851	326
Interest income from claims on financial institutions	484	464	20	20	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	4 630	0	4 630	453	3851	326
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	1 230	247	983	96	774	113
Interest expenditure on deposits of financial institutions	710	247	463	41	359	63
Interest expenditure on deposits of non-financial institutions and other customers	520	0	520	55	415	50
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	3 884	217	3 667	377	3 077	213
CREDIT PROVISIONS						
Accrued provisions	33	0	33			
Reintegrated provisions	0	0	0			
Credit provisions, net	33	0	33			
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	1 379	0	1 379			
NON-INTEREST EXPENDITURE	4 019	0	4 019			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 211	217	994			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-6	0	-6			
EXTRAORDINARY GAIN/LOSS	-14	0	-14			
TAX	179	0	179			
PROFIT/LOSS, NET	1 012	217	795			



ALPHA BANK, SOFIA BRANCH

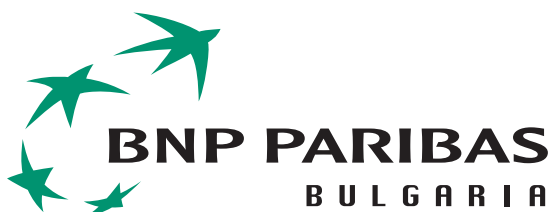
STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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, Athanassios Dionissios Petropoulos – 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 and Preslava Dobrova Dobrova
Shareholders (shares over 10%)	Branch of Alpha Bank AE, Athens, Greece

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	24 352	23 423	387	542
Claims on financial institutions, net	475 344	5 700	229 027	240 617
Claims under repurchase agreements	4 796	0	4 796	0
Trading portfolio	2 894	2 869	16	9
Investment portfolio	24 609	5 045	19 564	0
Loans to non-financial institutions and other customers, net	129 619	28 092	99 702	1 825
Loans to budget	0	0	0	0
Commercial loans	128 558	28 304	98 888	1 366
Commercial real estate and construction loans	47 822	0	47 822	0
Other commercial loans	80 736	28 304	51 066	1 366
Agricultural loans	0	0	0	0
Consumer loans	224	180	37	7
Housing mortgage loans to individuals	386	386	0	0
Other loans	2 115	0	1 620	495
Loans to non-financial institutions and other customers, total	131 283	28 870	100 545	1 868
Less: specific provisions	1 664	778	843	43
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	361	341	14	6
Intangible assets	41	41	0	0
Premises and other fixed assets	13 741	13 741	0	0
Assets, total	675 757	79 252	353 506	242 999
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	129 665	12 103	56 803	60 759
Demand deposits of banks	45 948	164	11 504	34 280
Time deposits of banks	75 183	5 000	44 748	25 435
Deposits of other financial institutions	8 534	6 939	551	1 044
Deposits of non-financial institutions and other customers	488 967	96 710	307 740	84 517
Demand deposits	347 500	89 022	247 646	10 832
Time deposits	141 467	7 688	60 094	73 685
Savings deposits	0	0	0	0
Deposits, total	618 632	108 813	364 543	145 276
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	7 352	6 806	519	27
Liabilities, total	625 984	115 619	365 062	145 303
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	49 773	49 773		
Shareholder capital	36 000	36 000		
Reserves	11 717	11 717		
Profit/loss, current year	2 056	2 056		
Liabilities, minority interest, and capital, total	675 757	165 392	365 062	145 303
Memo: credit substitutes and other off-balance sheet commitments	569 254	405 483	102 870	60 901



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	7 424	1 366	4 299	1 759
Interest income from claims on financial institutions	2 643	211	913	1 519
Interest income from claims under repurchase agreements	9	1	8	0
Interest income from trading portfolio	325	112	162	51
Interest income from investment portfolio	224	80	141	3
Interest income from loans	4 223	962	3 075	186
Dividend income	0	0	0	0
INTEREST EXPENDITURE	2 747	653	798	1 296
Interest expenditure on deposits of financial institutions	981	188	442	351
Interest expenditure on deposits of non-financial institutions and other customers	1 418	463	310	645
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	348	2	46	300
INTEREST AND DIVIDEND INCOME, NET	4 677	713	3 501	463
CREDIT PROVISIONS				
Accrued provisions	1 424			
Reintegrated provisions	1 484			
Credit provisions, net	-60			
TRADING PORTFOLIO GAIN/LOSS	-44			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	6			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	3 102			
NON-INTEREST EXPENDITURE	5 492			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 309			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	84			
EXTRAORDINARY GAIN/LOSS	0			
TAX	337			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 056			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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.bulgaria.bnpparibas.com
Management	
Supervisory Board	Matthieu Lacaze Gilles Franck Arnaud Denis Jean-Sebastien Tellier Milko Dimitrov Kovachev
Management Board	Ullrich-Günther Schubert – Chairman and 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 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	250 209	137 068	105 189	7 952
Claims on financial institutions, net	562 508	7 973	394 769	159 766
Claims under repurchase agreements	1 000	1 000	0	0
Trading portfolio	125 427	79 476	41 744	4 207
Investment portfolio	821 224	334 429	208 968	277 827
Loans to non-financial institutions and other customers, net	1 778 389	906 896	843 125	28 368
Loans to budget	2 876	2 876	0	0
Commercial loans	1 334 646	522 346	786 413	25 887
Commercial real estate and construction loans	181 742	57 197	124 089	456
Other commercial loans	1 152 904	465 149	662 324	25 431
Agricultural loans	19 043	18 134	712	197
Consumer loans	104 676	98 499	4 006	2 171
Housing mortgage loans to individuals	333 923	269 866	63 923	134
Other loans	42 800	40 534	813	1 453
Loans to non-financial institutions and other customers, total	1 837 964	952 255	855 867	29 842
Less: specific provisions	59 575	45 359	12 742	1 474
Assets for resale	34	34	0	0
Investments in unconsolidated subsidiaries and associated companies	8 006	8 006	0	0
Other assets	10 448	10 343	4	101
Intangible assets	5 983	5 983	0	0
Premises and other fixed assets	102 758	102 758	0	0
Assets, total	3 665 986	1 593 966	1 593 799	478 221
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	122 309	79 484	30 661	12 164
Demand deposits of banks	18 414	2 712	8 442	7 260
Time deposits of banks	4 866	2 000	284	2 582
Deposits of other financial institutions	99 029	74 772	21 935	2 322
Deposits of non-financial institutions and other customers	2 655 503	920 431	1 152 502	582 570
Demand deposits	1 291 110	612 947	505 950	172 213
Time deposits	1 357 699	306 279	643 460	407 960
Savings deposits	6 694	1 205	3 092	2 397
Deposits, total	2 777 812	999 915	1 183 163	594 734
Borrowings under repurchase agreements	46 350	46 350	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	78 317	0	78 317	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	202 511	115 060	31 342	56 109
Liabilities, total	3 104 990	1 161 325	1 292 822	650 843
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	560 996	560 996		
Shareholder capital	166 370	166 370		
Reserves	375 959	375 959		
Profit/loss, current year	18 667	18 667		
Liabilities, minority interest, and capital, total	3 665 986	1 722 321	1 292 822	650 843
Memo: credit substitutes and other off-balance sheet commitments	712 452	306 985	300 296	105 171

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	101 791	48 648	40 230	12 913
Interest income from claims on financial institutions	8 367	485	3 512	4 370
Interest income from claims under repurchase agreements	1	1	0	0
Interest income from trading portfolio	3 883	2 318	880	685
Interest income from investment portfolio	19 432	8 031	5 500	5 901
Interest income from loans	70 108	37 813	30 338	1 957
Dividend income	0	0	0	0
INTEREST EXPENDITURE	19 829	5 480	8 910	5 439
Interest expenditure on deposits of financial institutions	861	389	336	136
Interest expenditure on deposits of non-financial institutions and other customers	15 802	4 782	7 453	3 567
Interest expenditure on borrowings under repurchase agreements	309	309	0	0
Interest expenditure on borrowings	834	0	834	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	2 023	0	287	1 736
INTEREST AND DIVIDEND INCOME, NET	81 962	43 168	31 320	7 474
CREDIT PROVISIONS				
Accrued provisions	14 356			
Reintegrated provisions	12 895			
Credit provisions, net	1 461			
TRADING PORTFOLIO GAIN/LOSS	-7 599			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-1 466			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	4 082			
OTHER NON-INTEREST INCOME	34 561			
NON-INTEREST EXPENDITURE	96 005			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	14 074			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	8 103			
EXTRAORDINARY GAIN/LOSS	0			
TAX	3 510			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	18 667			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Dimitar Georgiev Zhelev Ivan Stancioff Jan Bielecki Alessandro Decio Marco Iannaccone
Management Board	Levon Hampartsumyan – Chairman and Executive Director Peter Harold – Deputy Chairman and Executive Director Andrea Casini – Chief Operating Director and Executive Director Kalinka Kirova Stanislav Georgiev Lyubomir Ignatov Punchev
Shareholders (shares over 10%)	UniCredito Italiano S. A. – 85.19%

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	20 064	8 829	10 642	593
Claims on financial institutions, net	74 818	5 525	53 042	16 251
Claims under repurchase agreements	13 703	0	13 703	0
Trading portfolio	2 689	2 231	458	0
Investment portfolio	9 153	1 057	6 148	1 948
Loans to non-financial institutions and other customers, net	314 333	139	298 176	16 018
Loans to budget	0	0	0	0
Commercial loans	314 242	371	299 179	14 692
Commercial real estate and construction loans	241 014	0	230 800	10 214
Other commercial loans	73 228	371	68 379	4 478
Agricultural loans	5 259	0	4 516	743
Consumer loans	1 199	0	1 184	15
Housing mortgage loans to individuals	10 610	0	8 425	2 185
Other loans	6 469	0	4 075	2 394
Loans to non-financial institutions and other customers, total	337 779	371	317 379	20 029
Less: specific provisions	23 446	232	19 203	4 011
Assets for resale	1 436	1 436	0	0
Investments in unconsolidated subsidiaries and associated companies	3 000	3 000	0	0
Other assets	921	746	150	25
Intangible assets	171	171	0	0
Premises and other fixed assets	4 591	4 591	0	0
Assets, total	444 879	27 725	382 319	34 835
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	24 253	14 774	1 027	8 452
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	24 253	14 774	1 027	8 452
Deposits of non-financial institutions and other customers	94 683	9 088	71 931	13 664
Demand deposits	29 016	7 412	18 976	2 628
Time deposits	65 667	1 676	52 955	11 036
Savings deposits	0	0	0	0
Deposits, total	118 936	23 862	72 958	22 116
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	33 294	0	23 567	9 727
Long-term borrowings	195 212	0	195 212	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	4 381	2 047	2 040	294
Liabilities, total	351 823	25 909	293 777	32 137
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	93 056	93 056		
Shareholder capital	12 940	12 940		
Reserves	64 720	64 720		
Profit/loss, current year	15 396	15 396		
Liabilities, minority interest, and capital, total	444 879	118 965	293 777	32 137
Memo: credit substitutes and other off-balance sheet commitments	58 418	975	56 371	1 072



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	29 284	215	25 527	3 542
Interest income from claims on financial institutions	1 207	14	412	781
Interest income from claims under repurchase agreements	119	0	19	100
Interest income from trading portfolio	15	0	15	0
Interest income from investment portfolio	277	24	211	42
Interest income from loans	27 614	125	24 870	2 619
Dividend income	52	52	0	0
INTEREST EXPENDITURE	7 641	117	5 765	1 759
Interest expenditure on deposits of financial institutions	549	74	179	296
Interest expenditure on deposits of non-financial institutions and other customers	808	43	520	245
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	6 284	0	5 066	1 218
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	21 643	98	19 762	1 783
CREDIT PROVISIONS				
Accrued provisions	6 781			
Reintegrated provisions	4 469			
Credit provisions, net	2 312			
TRADING PORTFOLIO GAIN/LOSS	129			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	3 080			
NON-INTEREST EXPENDITURE	4 973			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	17 568			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-353			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 819			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	15 396			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 represented jointly by each two of the executive directors: Franc Luis Bauer, Stoyan Nikolov Dinchyski and Dimitar Stoyanov Vuchev
Supervisory Board	Stephen William Filo – Chairman Marshal Lee Miller – Deputy Chairman Valentin Stefanov Braikov
Management Board	Franc Luis Bauer – Chairman and Executive Director Stoyan Nikolov Dinchyski – Executive Director Dimitar Stoyanov Vuchev – Executive Director Dennis Earl Fiehler Michael Hunsberger
Shareholders (shares over 10%)	Bulgarian-American Investment Fund – 69.38%



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	116 737	84 346	22 020	10 371
Claims on financial institutions, net	96 416	120	55 611	40 685
Claims under repurchase agreements	7 207	7 207	0	0
Trading portfolio	21 355	19 769	1 586	0
Investment portfolio	159 878	74 171	85 707	0
Loans to non-financial institutions and other customers, net	450 427	297 609	116 207	36 611
Loans to budget	5	5	0	0
Commercial loans	297 712	164 272	96 251	37 189
Commercial real estate and construction loans	64 135	30 413	32 385	1 337
Other commercial loans	233 577	133 859	63 866	35 852
Agricultural loans	25 795	24 378	1 417	0
Consumer loans	84 405	83 412	957	36
Housing mortgage loans to individuals	47 880	29 681	18 076	123
Other loans	1 453	1 375	3	75
Loans to non-financial institutions and other customers, total	457 250	303 123	116 704	37 423
Less: specific provisions	6 823	5 514	497	812
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	35 084	28 557	3 542	2 985
Intangible assets	3 391	3 391	0	0
Premises and other fixed assets	37 551	37 551	0	0
Assets, total	928 046	552 721	284 673	90 652
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	11 441	10 938	109	394
Demand deposits of banks	94	53	41	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	11 347	10 885	68	394
Deposits of non-financial institutions and other customers	752 914	442 728	231 692	78 494
Demand deposits	253 993	217 561	24 720	11 712
Time deposits	464 906	209 815	194 691	60 400
Savings deposits	34 015	15 352	12 281	6 382
Deposits, total	764 355	453 666	231 801	78 888
Borrowings under repurchase agreements	993	993	0	0
Short-term borrowings	53 676	0	53 676	0
Long-term borrowings	8 092	8 092	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	19 826	10 608	5 200	4 018
Liabilities, total	846 942	473 359	290 677	82 906
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	81 104	81 104		
Shareholder capital	48 507	48 507		
Reserves	30 090	30 090		
Profit/loss, current year	2 507	2 507		
Liabilities, minority interest, and capital, total	928 046	554 463	290 677	82 906
Memo: credit substitutes and other off-balance sheet commitments	38 852	20 352	12 156	6 344

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	28 358	15 859	9 280	3 219
Interest income from claims on financial institutions	1 640	15	710	915
Interest income from claims under repurchase agreements	78	77	1	0
Interest income from trading portfolio	248	155	93	0
Interest income from investment portfolio	3 913	462	3 438	13
Interest income from loans	22 479	15 150	5 038	2 291
Dividend income	0	0	0	0
INTEREST EXPENDITURE	12 074	5 623	5 276	1 175
Interest expenditure on deposits of financial institutions	467	434	16	17
Interest expenditure on deposits of non-financial institutions and other customers	10 152	4 646	4 490	1 016
Interest expenditure on borrowings under repurchase agreements	475	464	11	0
Interest expenditure on borrowings	803	78	725	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	177	1	34	142
INTEREST AND DIVIDEND INCOME, NET	16 284	10 236	4 004	2 044
CREDIT PROVISIONS				
Accrued provisions	4 282			
Reintegrated provisions	1 723			
Credit provisions, net	2 559			
TRADING PORTFOLIO GAIN/LOSS	272			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	604			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	10 758			
NON-INTEREST EXPENDITURE	22 750			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 609			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	340			
EXTRAORDINARY GAIN/LOSS	0			
TAX	442			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 507			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 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 Marin Velikov Mitev Central Cooperative Union represented by Petar Ivanov Stefanov
Management Board	Alexander Asenov Vodenicharov – Chairman Georgi Dimitrov Konstantinov – 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 – 67.70%

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	35 520	0	35 520	35 212	150	158
Claims on financial institutions, net	145 566	63 499	82 067	50 007	27 384	4 676
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	1 156	269	887	0	18	869
Investment portfolio	15 991	0	15 991	15 991	0	0
Loans to non-financial institutions and other customers, net	131 107	0	131 107	76 431	47 500	7 176
Loans to budget	0	0	0	0	0	0
Commercial loans	133 832	0	133 832	76 911	48 995	7 926
Commercial real estate and construction loans	0	0	0	0	0	0
Other commercial loans	133 832	0	133 832	76 911	48 995	7 926
Agricultural loans	0	0	0	0	0	0
Consumer loans	20	0	20	20	0	0
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	23	0	23	0	0	23
Loans to non-financial institutions and other customers, total	133 875	0	133 875	76 931	48 995	7 949
Less: specific provisions	2 768	0	2 768	500	1 495	773
Assets for resale	0	0	0	0	0	0
Other assets, net	2 678	209	2 469	1 278	23	1 168
Intangible assets	436	0	436	436	0	0
Premises and other fixed assets	555	0	555	555	0	0
Assets, total	333 009	63 977	269 032	179 910	75 075	14 047
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	15 544	91	15 453	9 882	3 144	2 427
Demand deposits of banks	91	91	0	0	0	0
Time deposits of banks	0	0	0	0	0	0
Deposits of other financial institutions	15 453	0	15 453	9 882	3 144	2 427
Deposits of non-financial institutions and other customers	300 195	0	300 195	138 913	120 305	40 977
Demand deposits	234 463	0	234 463	131 094	89 631	13 738
Time deposits	65 732	0	65 732	7 819	30 674	27 239
Savings deposits	0	0	0	0	0	0
Deposits, total	315 739	91	315 648	148 795	123 449	43 404
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	10 842	5 294	5 548	2 341	574	2 633
Liabilities, total	326 581	5 385	321 196	151 136	124 023	46 037
Reserves and financial result, total	6 428	3 839	2 589	2 589		
Reserves	3 839	3 839	0	0		
Profit/loss, current year	2 589	0	2 589	2 589		
Liabilities, reserves, and financial result, total	333 009	9 224	323 785	153 725	124 023	46 037
Memo: credit substitutes and other off-balance sheet commitments	226 121	22 583	203 538	73 264	120 179	10 095



CITIBANK N. A., SOFIA BRANCH

INCOME STATEMENT (June 2006)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 843	1 775	3 068	1 956	943	169
Interest income from claims on financial institutions	2 331	1 775	556	556	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	386	0	386	386	0	0
Interest income from loans	2 126	0	2 126	1 014	943	169
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	1 932	2	1 930	816	755	359
Interest expenditure on deposits of financial institutions	119	0	119	54	7	58
Interest expenditure on deposits of non-financial institutions and other customers	1 811	0	1 811	762	748	301
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	2	2	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 911	1 773	1 138	1 140	188	-190
CREDIT PROVISIONS						
Accrued provisions	1 040	0	1 040			
Reintegrated provisions	1 861	0	1 861			
Credit provisions, net	-821	0	-821			
TRADING PORTFOLIO GAIN/LOSS	736	0	736			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-136	0	-136			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	4 006	1 257	2 749			
NON-INTEREST EXPENDITURE	5 081	757	4 324			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 257	2 273	984			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-233	0	-233			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	435	0	435			
PROFIT/LOSS, NET	2 589	2 273	316			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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	Resolution No. 1 of the Sofia City Court of 6 July 2000, company file No. 8611, lot No. 57 183, vol. 627, reg. I, p. 132
Address of the branch	2 Knyaginya Maria-Luiza Blvd., floor 5, Sofia 1000 tel. 02/917 51 00; 981 99 14
Management	
Management Board	Amin Manekia – Country Corporate Officer Chavdar Petrov Risin Plamen Nikolov Gonkov Grigoriy Ananiev Ananiev Borislava Stoyanova Zhereva–Naimoushina Premislav Kachikovski Silvia Tsenkova Kamenova Nadya Spiridonova Ganeva
Shareholders (shares over 10%)	Branch of Citibank N. A., New York, the USA



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	84 613	69 599	11 006	4 008
Claims on financial institutions, net	265 219	77	210 630	54 512
Claims under repurchase agreements	6 532	0	6 532	0
Trading portfolio	18 228	16 130	2 098	0
Investment portfolio	29 094	5 371	12 225	11 498
Loans to non-financial institutions and other customers, net	305 254	192 726	95 000	17 528
Loans to budget	0	0	0	0
Commercial loans	300 514	190 611	92 445	17 458
Commercial real estate and construction loans	16 169	9 267	6 859	43
Other commercial loans	284 345	181 344	85 586	17 415
Agricultural loans	596	596	0	0
Consumer loans	2 959	1 603	1 317	39
Housing mortgage loans to individuals	1 021	90	900	31
Other loans	2 132	1 501	631	0
Loans to non-financial institutions and other customers, total	307 222	194 401	95 293	17 528
Less: specific provisions	1 968	1 675	293	0
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	5	5	0	0
Other assets	2 577	2 566	9	2
Intangible assets	363	363	0	0
Premises and other fixed assets	17 073	17 073	0	0
Assets, total	728 958	303 910	337 500	87 548
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	39 594	14 304	24 973	317
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	39 594	14 304	24 973	317
Deposits of non-financial institutions and other customers	635 508	297 520	251 498	86 490
Demand deposits	259 479	158 503	79 529	21 447
Time deposits	199 505	49 441	110 572	39 492
Savings deposits	176 524	89 576	61 397	25 551
Deposits, total	675 102	311 824	276 471	86 807
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	135	135	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	214	212	2	0
Liabilities, total	675 451	312 171	276 473	86 807
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	53 507	53 507		
Shareholder capital	38 867	38 867		
Reserves	12 892	12 892		
Profit/loss, current year	1 748	1 748		
Liabilities, minority interest, and capital, total	728 958	365 678	276 473	86 807
Memo: credit substitutes and other off-balance sheet commitments	127 033	58 894	55 976	12 163



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	18 939	9 355	7 220	2 364
Interest income from claims on financial institutions	3 080	46	1 818	1 216
Interest income from claims under repurchase agreements	48	3	43	2
Interest income from trading portfolio	760	402	300	58
Interest income from investment portfolio	345	92	159	94
Interest income from loans	14 706	8 812	4 900	994
Dividend income	0	0	0	0
INTEREST EXPENDITURE	11 387	4 828	4 932	1 627
Interest expenditure on deposits of financial institutions	799	316	481	2
Interest expenditure on deposits of non-financial institutions and other customers	10 570	4 494	4 451	1 625
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	18	18	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	7 552	4 527	2 288	737
CREDIT PROVISIONS				
Accrued provisions	1 950			
Reintegrated provisions	2 018			
Credit provisions, net	-68			
TRADING PORTFOLIO GAIN/LOSS	371			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-45			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	3 616			
NON-INTEREST EXPENDITURE	10 814			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	748			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	1 309			
EXTRAORDINARY GAIN/LOSS	0			
TAX	309			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 748			


STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 – 89.21% directly, and jointly with Victoria Insurance Company (indirectly) – 94.35%

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	6 315	4 621	859	835
Claims on financial institutions, net	7 325	1 000	4 493	1 832
Claims under repurchase agreements	1 958	0	1 958	0
Trading portfolio	12 033	6 145	5 887	1
Investment portfolio	11 574	10 590	984	0
Loans to non-financial institutions and other customers, net	31 179	6 576	17 681	6 922
Loans to budget	0	0	0	0
Commercial loans	30 474	5 928	17 514	7 032
Commercial real estate and construction loans	3 172	441	2 731	0
Other commercial loans	27 302	5 487	14 783	7 032
Agricultural loans	0	0	0	0
Consumer loans	1 052	706	339	7
Housing mortgage loans to individuals	0	0	0	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	31 526	6 634	17 853	7 039
Less: specific provisions	347	58	172	117
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	274	264	3	7
Intangible assets	70	70	0	0
Premises and other fixed assets	799	799	0	0
Assets, total	71 527	30 065	31 865	9 597
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	3 819	1 821	1 961	37
Demand deposits of banks	32	0	2	30
Time deposits of banks	1 958	0	1 958	0
Deposits of other financial institutions	1 829	1 821	1	7
Deposits of non-financial institutions and other customers	46 096	10 178	11 960	23 958
Demand deposits	35 921	6 748	9 025	20 148
Time deposits	8 054	2 534	2 131	3 389
Savings deposits	2 121	896	804	421
Deposits, total	49 915	11 999	13 921	23 995
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	2 336	577	738	1 021
Liabilities, total	52 251	12 576	14 659	25 016
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	19 276	19 276		
Shareholder capital	20 000	20 000		
Reserves	-1 093	-1 093		
Profit/loss, current year	369	369		
Liabilities, minority interest, and capital, total	71 527	31 852	14 659	25 016
Memo: credit substitutes and other off-balance sheet commitments	15 203	7 546	6 693	964

**INCOME STATEMENT**

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	2 669	924	1 212	533
Interest income from claims on financial institutions	240	11	79	150
Interest income from claims under repurchase agreements	28	0	28	0
Interest income from trading portfolio	224	43	181	0
Interest income from investment portfolio	235	203	32	0
Interest income from loans	1 942	667	892	383
Dividend income	0	0	0	0
INTEREST EXPENDITURE	663	104	213	346
Interest expenditure on deposits of financial institutions	73	39	23	11
Interest expenditure on deposits of non-financial institutions and other customers	555	65	155	335
Interest expenditure on borrowings under repurchase agreements	6	0	6	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	29	0	29	0
INTEREST AND DIVIDEND INCOME, NET	2 006	820	999	187
CREDIT PROVISIONS				
Accrued provisions	150			
Reintegrated provisions	206			
Credit provisions, net	-56			
TRADING PORTFOLIO GAIN/LOSS	-442			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	-50			
NON-INTEREST EXPENDITURE	2 336			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-766			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	1 158			
EXTRAORDINARY GAIN/LOSS	0			
TAX	23			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	369			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006**

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	Mevlut Tufan Darbaz – Chairman Ahmet Izzet Karacahisarli Ismail Hasan Akcakayalioglu Dinc Uner Bahattin Gurbuz
Management Board	Muammer Aksit Ozkural – Chief Executive Director Ognyan Yordanov – Executive Director Mumtaz Malik Agim – Executive Director
Shareholders (shares over 10%)	
	Isil Dogan – 50% Halit Djangalluoglu – 40%


BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	473 017	186 417	276 437	10 163
Claims on financial institutions, net	832 463	295 989	407 207	129 267
Claims under repurchase agreements	0	0	0	0
Trading portfolio	73 838	23 961	29 798	20 079
Investment portfolio	354 071	156 309	136 928	60 834
Loans to non-financial institutions and other customers, net	3 114 125	2 619 227	489 979	4 919
Loans to budget	1 472	1 472	0	0
Commercial loans	780 035	447 356	330 134	2 545
Commercial real estate and construction loans	67 121	25 649	41 404	68
Other commercial loans	712 914	421 707	288 730	2 477
Agricultural loans	7 920	7 477	443	0
Consumer loans	1 718 782	1 704 098	14 323	361
Housing mortgage loans to individuals	744 098	584 980	157 007	2 111
Other loans	1 679	1 633	16	30
Loans to non-financial institutions and other customers, total	3 253 986	2 747 016	501 923	5 047
Less: specific provisions	139 861	127 789	11 944	128
Assets for resale	133	133	0	0
Investments in unconsolidated subsidiaries and associated companies	21 350	21 350	0	0
Other assets	29 871	29 730	99	42
Intangible assets	6 781	6 781	0	0
Premises and other fixed assets	186 916	186 916	0	0
Assets, total	5 092 565	3 526 813	1 340 448	225 304
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	212 737	184 302	11 446	16 989
Demand deposits of banks	3 028	1 300	1 728	0
Time deposits of banks	171 890	148 118	6 846	16 926
Deposits of other financial institutions	37 819	34 884	2 872	63
Deposits of non-financial institutions and other customers	3 573 270	2 691 675	677 570	204 025
Demand deposits	707 257	625 779	72 655	8 823
Time deposits	1 965 997	1 338 085	475 895	152 017
Savings deposits	900 016	727 811	129 020	43 185
Deposits, total	3 786 007	2 875 977	689 016	221 014
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	98 041	0	98 041	0
Long-term borrowings	530 024	0	530 024	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	82 362	77 343	4 510	509
Liabilities, total	4 496 434	2 953 320	1 321 591	221 523
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	596 131	596 131		
Shareholder capital	93 984	93 984		
Reserves	437 068	437 068		
Profit/loss, current year	65 079	65 079		
Liabilities, minority interest, and capital, total	5 092 565	3 549 451	1 321 591	221 523
Memo: credit substitutes and other off-balance sheet commitments	361 425	155 722	154 512	51 191



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	187 106	156 257	25 982	4 867
Interest income from claims on financial institutions	8 951	2 111	4 003	2 837
Interest income from claims under repurchase agreements	2	2	0	0
Interest income from trading portfolio	1 628	612	572	444
Interest income from investment portfolio	9 441	4 179	4 231	1 031
Interest income from loans	167 084	149 353	17 176	555
Dividend income	0	0	0	0
INTEREST EXPENDITURE	45 412	31 259	13 077	1 076
Interest expenditure on deposits of financial institutions	1 321	1 188	110	23
Interest expenditure on deposits of non-financial institutions and other customers	36 175	30 070	5 052	1 053
Interest expenditure on borrowings under repurchase agreements	1	1	0	0
Interest expenditure on borrowings	7 915	0	7 915	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	141 694	124 998	12 905	3 791
CREDIT PROVISIONS				
Accrued provisions	82 326			
Reintegrated provisions	42 705			
Credit provisions, net	39 621			
TRADING PORTFOLIO GAIN/LOSS	-2 364			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-15			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	1 760			
OTHER NON-INTEREST INCOME	53 719			
NON-INTEREST EXPENDITURE	79 866			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	75 307			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	1 337			
EXTRAORDINARY GAIN/LOSS	0			
TAX	11 565			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	65 079			



DSK BANK PLC
OTP GROUP

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Kalin Nikolov Klisarov – Executive Director Miroslav Stanimirov Vichev – Member of the Management Board and Procurator
Procurators	Doroteya Nikolaeva Nikolova Nikolai Borisov Borisov
Shareholders (shares over 10%)	OTP Bank RT, Budapest – 100%



THE BULGARIAN FINANCIAL GROUP

Insurance - Banking - Consulting

DZI BANK

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BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	134 254	122 176	8 526	3 552
Claims on financial institutions, net	238 442	35 354	79 393	123 695
Claims under repurchase agreements	0	0	0	0
Trading portfolio	110 771	102 362	5 617	2 792
Investment portfolio	118 854	19 062	60 048	39 744
Loans to non-financial institutions and other customers, net	467 705	283 959	136 750	46 996
Loans to budget	6 326	6 326	0	0
Commercial loans	308 521	154 534	112 911	41 076
Commercial real estate and construction loans	138 327	57 784	60 497	20 046
Other commercial loans	170 194	96 750	52 414	21 030
Agricultural loans	1 662	1 662	0	0
Consumer loans	47 380	45 949	1 362	69
Housing mortgage loans to individuals	82 424	65 358	15 573	1 493
Other loans	27 013	13 794	8 100	5 119
Loans to non-financial institutions and other customers, total	473 326	287 623	137 946	47 757
Less: specific provisions	5 621	3 664	1 196	761
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	10 479	8 968	107	1 404
Intangible assets	1 237	1 237	0	0
Premises and other fixed assets	19 557	19 557	0	0
Assets, total	1 101 299	592 675	290 441	218 183
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	114 895	87 125	23 408	4 362
Demand deposits of banks	2 750	2 317	98	335
Time deposits of banks	54 562	35 003	19 559	0
Deposits of other financial institutions	57 583	49 805	3 751	4 027
Deposits of non-financial institutions and other customers	875 736	400 572	272 358	202 806
Demand deposits	346 115	283 307	49 044	13 764
Time deposits	502 389	105 065	212 907	184 417
Savings deposits	27 232	12 200	10 407	4 625
Deposits, total	990 631	487 697	295 766	207 168
Borrowings under repurchase agreements	2 006	2 006	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	36 567	36 567	0	0
Other liabilities	13 406	5 280	2 841	5 285
Liabilities, total	1 042 610	531 550	298 607	212 453
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	58 689	58 689		
Shareholder capital	50 000	50 000		
Reserves	7 875	7 875		
Profit/loss, current year	814	814		
Liabilities, minority interest, and capital, total	1 101 299	590 239	298 607	212 453
Memo: credit substitutes and other off-balance sheet commitments	127 050	85 329	21 857	19 864



THE BULGARIAN FINANCIAL GROUP

Insurance - Banking - Consulting

DZI BANK

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	29 619	12 873	9 702	7 044
Interest income from claims on financial institutions	4 396	110	1 880	2 406
Interest income from claims under repurchase agreements	86	86	0	0
Interest income from trading portfolio	2 659	1 908	335	416
Interest income from investment portfolio	3 252	397	1 606	1 249
Interest income from loans	19 182	10 328	5 881	2 973
Dividend income	44	44	0	0
INTEREST EXPENDITURE	14 483	4 904	4 936	4 643
Interest expenditure on deposits of financial institutions	1 115	882	55	178
Interest expenditure on deposits of non-financial institutions and other customers	13 077	3 731	4 881	4 465
Interest expenditure on borrowings under repurchase agreements	1	1	0	0
Interest expenditure on borrowings	9	9	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	271	271	0	0
Interest expenditure on other liabilities	10	10	0	0
INTEREST AND DIVIDEND INCOME, NET	15 136	7 969	4 766	2 401
CREDIT PROVISIONS				
Accrued provisions	2 583			
Reintegrated provisions	2 135			
Credit provisions, net	448			
TRADING PORTFOLIO GAIN/LOSS	-3 556			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-121			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-56			
OTHER NON-INTEREST INCOME	10 792			
NON-INTEREST EXPENDITURE	20 736			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 011			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-111			
EXTRAORDINARY GAIN/LOSS	58			
TAX	144			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	814			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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. 02/980 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 Iliyan Stoyanov Mitev – Executive Director Plamen Borisov Itsov Stanimir Metodiev Hristov
Procurator	Desislava Hristova Toteva*
Shareholders (shares over 10%)**	DZI AD – 50.09%; jointly with related parties – 69.78% Bank Austria Creditanstalt – 20.21%

* By Letter No. 1729-0585 of 14 July 2006 the DZI Bank's management informed the BNB that by Resolution No. 68 of 5 July 2006 the Sofia City Court entered a deletion of Plamen Yordanov Milkov as a procurator, and by Resolution No. 69 of 7 July 2006 Desislava Hristova Toteva was entered in the register as a procurator of DZI Bank AD.

** Source: information obtained from the Central Depository on the actual status of DZI Bank's shareholders as of 30 June 2006. It was submitted to the BNB Special Supervision Directorate.

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	108 041	95 276	6 822	5 943
Claims on financial institutions, net	423 534	56	250 856	172 622
Claims under repurchase agreements	0	0	0	0
Trading portfolio	227 715	67 687	72 983	87 045
Investment portfolio	22 062	22 059	3	0
Loans to non-financial institutions and other customers, net	375 911	155 659	192 176	28 076
Loans to budget	344	226	118	0
Commercial loans	367 234	145 391	193 688	28 155
Commercial real estate and construction loans	85 459	13 274	46 546	25 639
Other commercial loans	281 775	132 117	147 142	2 516
Agricultural loans	307	307	0	0
Consumer loans	17 946	16 882	985	79
Housing mortgage loans to individuals	10 864	4 361	6 383	120
Other loans	3 375	3 226	149	0
Loans to non-financial institutions and other customers, total	400 070	170 393	201 323	28 354
Less: specific provisions	24 159	14 734	9 147	278
Assets for resale	357	357	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	26 495	15 787	6 155	4 553
Intangible assets	251	251	0	0
Premises and other fixed assets	30 758	30 758	0	0
Assets, total	1 215 124	387 890	528 995	298 239
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	69 328	18 885	47 269	3 174
Demand deposits of banks	1 222	1 169	32	21
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	68 106	17 716	47 237	3 153
Deposits of non-financial institutions and other customers	907 691	255 983	358 344	293 364
Demand deposits	170 242	136 118	21 562	12 562
Time deposits	690 200	99 720	316 044	274 436
Savings deposits	47 249	20 145	20 738	6 366
Deposits, total	977 019	274 868	405 613	296 538
Borrowings under repurchase agreements	63 943	0	63 943	0
Short-term borrowings	0	0	0	0
Long-term borrowings	10 788	0	10 788	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	10 388	9 269	1 077	42
Liabilities, total	1 062 138	284 137	481 421	296 580
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	152 986	152 986		
Shareholder capital	69 721	69 721		
Reserves	61 992	61 992		
Profit/loss, current year	21 273	21 273		
Liabilities, minority interest, and capital, total	1 215 124	437 123	481 421	296 580
Memo: credit substitutes and other off-balance sheet commitments	40 128	26 826	12 268	1 034

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	34 181	10 186	14 439	9 556
Interest income from claims on financial institutions	7 588	304	3 854	3 430
Interest income from claims under repurchase agreements	15	9	0	6
Interest income from trading portfolio	7 519	1 377	2 184	3 958
Interest income from investment portfolio	265	265	0	0
Interest income from loans	18 794	8 231	8 401	2 162
Dividend income	0	0	0	0
INTEREST EXPENDITURE	24 824	3 483	12 022	9 319
Interest expenditure on deposits of financial institutions	2 643	399	2 160	84
Interest expenditure on deposits of non-financial institutions and other customers	21 352	3 081	9 367	8 904
Interest expenditure on borrowings under repurchase agreements	190	3	104	83
Interest expenditure on borrowings	639	0	391	248
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	9 357	6 703	2 417	237
CREDIT PROVISIONS				
Accrued provisions	4 669			
Reintegrated provisions	33 048			
Credit provisions, net	-28 379			
TRADING PORTFOLIO GAIN/LOSS	-4 951			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-106			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	11 395			
NON-INTEREST EXPENDITURE	19 970			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	24 104			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	920			
EXTRAORDINARY GAIN/LOSS	3			
TAX	3 754			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	21 273			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Birgir Már Ragnarsson
Management Board	Vasil Stefanov Simov – Chairman and Executive Director Danail Mihailov Kamenov – Executive Director Anton Nikolaev Andonov Krasimir Vutev Katev Vladimir Trifonov Penchev
Shareholders (shares over 10%)	<p>Valhamar Group Ltd, through Novator Finance Bulgaria S.A.R.L. – Luxembourg, a company owned directly and personally by it – 34%</p> <p>Tsvetelina Borislavova Karagiozova – 25.48% directly, and together with related parties Katex AD and Runo Kazanlak AD – 37.47%</p> <p>Katex AD – 10.61% directly, and together with related parties Runo Kazanlak AD and Tsvetelina Borislavova Karagiozova – 37.47%</p> <p>Svetoslav Bozhkov Bozhilov – 25.77%</p>



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	7 440	5 142	2 066	232
Claims on financial institutions, net	7 009	2 041	3 199	1 769
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	147	103	44	0
Loans to non-financial institutions and other customers, net	90 456	3 319	87 137	0
Loans to budget	0	0	0	0
Commercial loans	93 888	1 900	91 988	0
Commercial real estate and construction loans	31 397	0	31 397	0
Other commercial loans	62 491	1 900	60 591	0
Agricultural loans	106	106	0	0
Consumer loans	1 490	1 490	0	0
Housing mortgage loans to individuals	3 560	0	3 560	0
Other loans	40	0	40	0
Loans to non-financial institutions and other customers, total	99 084	3 496	95 588	0
Less: specific provisions	8 628	177	8 451	0
Assets for resale	442	442	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	872	843	25	4
Intangible assets	284	284	0	0
Premises and other fixed assets	5 505	5 505	0	0
Assets, total	112 155	17 679	92 471	2 005
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	25 273	2 734	22 539	0
Demand deposits of banks	0	0	0	0
Time deposits of banks	24 527	2 000	22 527	0
Deposits of other financial institutions	746	734	12	0
Deposits of non-financial institutions and other customers	60 680	18 366	40 328	1 986
Demand deposits	30 114	13 302	16 048	764
Time deposits	30 566	5 064	24 280	1 222
Savings deposits	0	0	0	0
Deposits, total	85 953	21 100	62 867	1 986
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	4 672	682	3 958	32
Liabilities, total	90 625	21 782	66 825	2 018
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	21 530	21 530		
Shareholder capital	17 852	17 852		
Reserves	6 405	6 405		
Profit/loss, current year	-2 727	-2 727		
Liabilities, minority interest, and capital, total	112 155	43 312	66 825	2 018
Memo: credit substitutes and other off-balance sheet commitments	19 462	1 462	17 049	951



**Emporiki Bank
Bulgaria EAD**

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	3 078	196	2 787	95
Interest income from claims on financial institutions	241	92	54	95
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	5	0	5	0
Interest income from loans	2 832	104	2 728	0
Dividend income	0	0	0	0
INTEREST EXPENDITURE	741	141	559	41
Interest expenditure on deposits of financial institutions	331	50	281	0
Interest expenditure on deposits of non-financial institutions and other customers	410	91	278	41
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	2 337	55	2 228	54
CREDIT PROVISIONS				
Accrued provisions	3 785			
Reintegrated provisions	537			
Credit provisions, net	3 248			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-13			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	807			
NON-INTEREST EXPENDITURE	2 508			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-2 625			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	6			
EXTRAORDINARY GAIN/LOSS	0			
TAX	108			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	-2 727			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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	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 Website: www.emporiki.bg
Management	
Supervisory Board	Georgios Provopoulos – Chairman Leonidas Aristotelis Zonios – Deputy Chairman Ekaterini Konstantinos Beritsi Spiridon Lorentziadis Konstantinos Sotirios Pashalis
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 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	4 364	4 337	17	10
Claims on financial institutions, net	9 585	5 002	4 553	30
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	9 937	961	8 976	0
Loans to non-financial institutions and other customers, net	69 127	34 634	34 493	0
Loans to budget	0	0	0	0
Commercial loans	69 503	31 986	37 517	0
Commercial real estate and construction loans	54 210	19 323	34 887	0
Other commercial loans	15 293	12 663	2 630	0
Agricultural loans	6 768	6 768	0	0
Consumer loans	192	192	0	0
Housing mortgage loans to individuals	177	177	0	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	76 640	39 123	37 517	0
Less: specific provisions	7 513	4 489	3 024	0
Assets for resale	1 128	1 128	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	124	123	1	0
Intangible assets	89	89	0	0
Premises and other fixed assets	2 249	2 249	0	0
Assets, total	96 603	48 523	48 040	40
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	525	492	5	28
Demand deposits of banks	424	424	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	101	68	5	28
Deposits of non-financial institutions and other customers	5 374	4 410	945	19
Demand deposits	5 138	4 217	914	7
Time deposits	111	68	31	12
Savings deposits	125	125	0	0
Deposits, total	5 899	4 902	950	47
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	51 994	2 013	49 981	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	460	459	1	0
Liabilities, total	58 353	7 374	50 932	47
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	38 250	38 250		
Shareholder capital	29 574	29 574		
Reserves	6 880	6 880		
Profit/loss, current year	1 796	1 796		
Liabilities, minority interest, and capital, total	96 603	45 624	50 932	47
Memo: credit substitutes and other off-balance sheet commitments	13 615	7 483	6 132	0



INCOME STATEMENT

(June 2006)

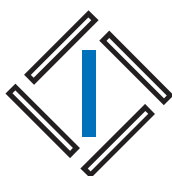
(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 580	2 276	2 304	0
Interest income from claims on financial institutions	77	24	53	0
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	178	90	88	0
Interest income from loans	4 275	2 162	2 113	0
Dividend income	50	0	50	0
INTEREST EXPENDITURE	738	29	709	0
Interest expenditure on deposits of financial institutions	1	1	0	0
Interest expenditure on deposits of non-financial institutions and other customers	5	5	0	0
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	732	23	709	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	3 842	2 247	1 595	0
CREDIT PROVISIONS				
Accrued provisions	3 009			
Reintegrated provisions	2 123			
Credit provisions, net	886			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	361			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	530			
NON-INTEREST EXPENDITURE	1 733			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 114			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-1			
EXTRAORDINARY GAIN/LOSS	0			
TAX	317			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 796			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

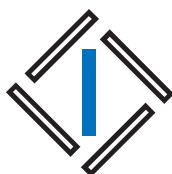
License granted by the BNB	Order No. 100-000078 of 25 February 1999 of the BNB Governor
Legal registration	Resolution No. 1 of the Sofia City Court of 11 March 1999 on company file No. 3400 of 1999
Address of the head office	1 Dyakon Ignatii Str., Sofia 1000 tel. 02/930 63 33 Website: www.nasbank.bg
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	Atanas Slavchev Katsarchev – Chairman Nina Hristova Radeva – Deputy Chairman Kiril Milanov Ananiev
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 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	243 719	78 505	156 637	8 577
Claims on financial institutions, net	246 451	11 974	189 351	45 126
Claims under repurchase agreements	9 931	0	9 883	48
Trading portfolio	19 031	2 692	118	16 221
Investment portfolio	577 777	87 867	329 765	160 145
Loans to non-financial institutions and other customers, net	1 418 765	554 826	813 401	50 538
Loans to budget	0	0	0	0
Commercial loans	1 075 924	289 381	738 844	47 699
Commercial real estate and construction loans	712 552	138 104	547 295	27 153
Other commercial loans	363 372	151 277	191 549	20 546
Agricultural loans	21 717	19 544	1 697	476
Consumer loans	171 311	131 540	38 979	792
Housing mortgage loans to individuals	155 484	118 521	35 943	1 020
Other loans	33 369	16 589	9 424	7 356
Loans to non-financial institutions and other customers, total	1 457 805	575 575	824 887	57 343
Less: specific provisions	39 040	20 749	11 486	6 805
Assets for resale	3 554	3 554	0	0
Investments in unconsolidated subsidiaries and associated companies	8 364	8 364	0	0
Other assets	16 667	12 571	3 527	569
Intangible assets	630	467	0	163
Premises and other fixed assets	72 248	71 751	0	497
Assets, total	2 617 137	832 571	1 502 682	281 884
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	792 570	37 865	753 566	1 139
Demand deposits of banks	833	328	410	95
Time deposits of banks	22 665	21 101	1 564	0
Deposits of other financial institutions	769 072	16 436	751 592	1 044
Deposits of non-financial institutions and other customers	1 256 590	557 306	438 394	260 890
Demand deposits	613 173	376 195	179 817	57 161
Time deposits	643 417	181 111	258 577	203 729
Savings deposits	0	0	0	0
Deposits, total	2 049 160	595 171	1 191 960	262 029
Borrowings under repurchase agreements	148 331	1 917	146 414	0
Short-term borrowings	16 489	16 208	281	0
Long-term borrowings	96 704	0	57 447	39 257
Subordinated term debt and debt/equity (hybrid) instruments	159 218	0	159 218	0
Other liabilities	5 652	5 285	7	360
Liabilities, total	2 475 554	618 581	1 555 327	301 646
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	141 583	141 583		
Shareholder capital	10 000	10 000		
Reserves	119 669	119 669		
Profit/loss, current year	11 914	11 914		
Liabilities, minority interest, and capital, total	2 617 137	760 164	1 555 327	301 646
Memo: credit substitutes and other off-balance sheet commitments	658 539	196 618	385 454	76 467


INCOME STATEMENT
(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	91 524	32 462	48 558	10 504
Interest income from claims on financial institutions	1 357	44	671	642
Interest income from claims under repurchase agreements	407	7	400	0
Interest income from trading portfolio	219	20	72	127
Interest income from investment portfolio	9 392	1 429	4 083	3 880
Interest income from loans	80 149	30 962	43 332	5 855
Dividend income	0	0	0	0
INTEREST EXPENDITURE	53 506	7 287	40 394	5 825
Interest expenditure on deposits of financial institutions	26 413	694	25 625	94
Interest expenditure on deposits of non-financial institutions and other customers	14 589	6 120	4 205	4 264
Interest expenditure on borrowings under repurchase agreements	328	32	296	0
Interest expenditure on borrowings	3 218	422	1 329	1 467
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	8 939	0	8 939	0
Interest expenditure on other liabilities	19	19	0	0
INTEREST AND DIVIDEND INCOME, NET	38 018	25 175	8 164	4 679
CREDIT PROVISIONS				
Accrued provisions	19 263			
Reintegrated provisions	12 946			
Credit provisions, net	6 317			
TRADING PORTFOLIO GAIN/LOSS	387			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	64			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	117			
OTHER NON-INTEREST INCOME	21 567			
NON-INTEREST EXPENDITURE	38 498			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	15 338			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-1 241			
EXTRAORDINARY GAIN/LOSS	0			
TAX	2 183			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	11 914			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Stefan Pinter
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 Radoslav Todorov Milenkov Maya Oyfalosh
Shareholders (shares over 10%)	
	Ivailo Dimitrov Moutafchiev – 31.83% Tseko Todorov Minev – 31.83% First Financial Brokerage House – 13.89%



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	62 897	54 431	5 376	3 090
Claims on financial institutions, net	267 954	209 664	8 024	50 266
Claims under repurchase agreements	38 271	0	0	38 271
Trading portfolio	0	0	0	0
Investment portfolio	17 674	17 301	0	373
Loans to non-financial institutions and other customers, net	433 842	263 981	162 031	7 830
Loans to budget	476	476	0	0
Commercial loans	195 544	79 699	115 595	250
Commercial real estate and construction loans	69 961	20 555	49 406	0
Other commercial loans	125 583	59 144	66 189	250
Agricultural loans	24 901	18 820	6 081	0
Consumer loans	192 725	169 408	18 553	4 764
Housing mortgage loans to individuals	29 740	7 491	19 220	3 029
Other loans	15 428	8 179	7 033	216
Loans to non-financial institutions and other customers, total	458 814	284 073	166 482	8 259
Less: specific provisions	24 972	20 092	4 451	429
Assets for resale	1 371	1 371	0	0
Investments in unconsolidated subsidiaries and associated companies	1 311	1 311	0	0
Other assets	9 720	9 321	37	362
Intangible assets	8 982	8 982	0	0
Premises and other fixed assets	30 543	30 543	0	0
Assets, total	872 565	596 905	175 468	100 192
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	167 256	141 129	16 686	9 441
Demand deposits of banks	0	0	0	0
Time deposits of banks	165 879	140 011	16 430	9 438
Deposits of other financial institutions	1 377	1 118	256	3
Deposits of non-financial institutions and other customers	542 485	315 786	136 693	90 006
Demand deposits	200 779	176 607	17 053	7 119
Time deposits	256 172	102 756	88 382	65 034
Savings deposits	85 534	36 423	31 258	17 853
Deposits, total	709 741	456 915	153 379	99 447
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	4 258	4 258	0	0
Subordinated term debt and debt/equity (hybrid) instruments	20 606	0	20 606	0
Other liabilities	24 596	23 261	1 180	155
Liabilities, total	759 201	484 434	175 165	99 602
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	113 364	113 364		
Shareholder capital	41 103	41 103		
Reserves	51 825	51 825		
Profit/loss, current year	20 436	20 436		
Liabilities, minority interest, and capital, total	872 565	597 798	175 165	99 602
Memo: credit substitutes and other off-balance sheet commitments	60 224	28 380	28 814	3 030

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	24 803	14 883	7 664	2 256
Interest income from claims on financial institutions	2 519	852	374	1 293
Interest income from claims under repurchase agreements	869	5	0	864
Interest income from trading portfolio	0	0	0	0
Interest income from investment portfolio	365	355	0	10
Interest income from loans	21 050	13 671	7 290	89
Dividend income	0	0	0	0
INTEREST EXPENDITURE	5 667	3 053	1 924	690
Interest expenditure on deposits of financial institutions	611	112	431	68
Interest expenditure on deposits of non-financial institutions and other customers	4 590	2 853	1 115	622
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	88	88	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	378	0	378	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	19 136	11 830	5 740	1 566
CREDIT PROVISIONS				
Accrued provisions	19 157			
Reintegrated provisions	16 127			
Credit provisions, net	3 030			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	406			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	25 410			
NON-INTEREST EXPENDITURE	17 874			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	24 048			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	19			
EXTRAORDINARY GAIN/LOSS	0			
TAX	3 631			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	20 436			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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
Procurators	Georgi Kostadinov Zamanov Andreas Schoberwalter Maria Dimova Ilieva*
Shareholders (shares over 10%)	
	Bank Austria Creditanstalt – 89.92%

* On 4 September 2006 Emiliya Milanova, Deputy Governor of the BNB, issued Certificate of Professional Qualification to Maria Dimova Ilieva in her capacity as Member of the Management Board and Executive Director of MKB Unionbank AD.

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	191 384	112 549	73 062	5 773
Claims on financial institutions, net	531 774	296 713	189 672	45 389
Claims under repurchase agreements	6 200	5 651	549	0
Trading portfolio	364 308	98 340	144 734	121 234
Investment portfolio	13 517	13 517	0	0
Loans to non-financial institutions and other customers, net	1 517 782	621 679	855 895	40 208
Loans to budget	9 313	9 313	0	0
Commercial loans	1 091 045	348 754	720 052	22 239
Commercial real estate and construction loans	450 115	116 000	332 877	1 238
Other commercial loans	640 930	232 754	387 175	21 001
Agricultural loans	12 155	8 791	3 364	0
Consumer loans	383 079	272 535	97 678	12 866
Housing mortgage loans to individuals	81 362	21 791	53 991	5 580
Other loans	2 675	2 312	3	360
Loans to non-financial institutions and other customers, total	1 579 629	663 496	875 088	41 045
Less: specific provisions	61 847	41 817	19 193	837
Assets for resale	2 519	2 519	0	0
Investments in unconsolidated subsidiaries and associated companies	655	655	0	0
Other assets	11 477	11 307	167	3
Intangible assets	4 592	4 592	0	0
Premises and other fixed assets	51 998	51 998	0	0
Assets, total	2 696 206	1 219 520	1 264 079	212 607
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	906 344	394 831	387 027	124 486
Demand deposits of banks	10 827	10 351	422	54
Time deposits of banks	872 239	366 286	381 562	124 391
Deposits of other financial institutions	23 278	18 194	5 043	41
Deposits of non-financial institutions and other customers	1 194 981	633 600	368 805	192 576
Demand deposits	599 588	448 111	125 153	26 324
Time deposits	326 172	74 620	136 459	115 093
Savings deposits	269 221	110 869	107 193	51 159
Deposits, total	2 101 325	1 028 431	755 832	317 062
Borrowings under repurchase agreements	115 313	0	77 042	38 271
Short-term borrowings	0	0	0	0
Long-term borrowings	108 810	512	108 298	0
Subordinated term debt and debt/equity (hybrid) instruments	77 371	0	77 371	0
Other liabilities	71 184	37 404	24 028	9 752
Liabilities, total	2 474 003	1 066 347	1 042 571	365 085
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	222 203	222 203		
Shareholder capital	36 842	36 842		
Reserves	157 994	157 994		
Profit/loss, current year	27 367	27 367		
Liabilities, minority interest, and capital, total	2 696 206	1 288 550	1 042 571	365 085
Memo: credit substitutes and other off-balance sheet commitments	592 985	306 407	260 985	25 593

* Former Biochim Commercial Bank.

INCOME STATEMENT
 (June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	74 525	35 652	31 824	7 049
Interest income from claims on financial institutions	4 972	2 219	999	1 754
Interest income from claims under repurchase agreements	113	50	63	0
Interest income from trading portfolio	10 689	2 727	4 037	3 925
Interest income from investment portfolio	190	190	0	0
Interest income from loans	58 534	30 439	26 725	1 370
Dividend income	27	27	0	0
INTEREST EXPENDITURE	21 009	6 939	9 365	4 705
Interest expenditure on deposits of financial institutions	9 954	3 842	3 160	2 952
Interest expenditure on deposits of non-financial institutions and other customers	5 852	3 087	1 879	886
Interest expenditure on borrowings under repurchase agreements	2 011	5	1 139	867
Interest expenditure on borrowings	1 850	4	1 846	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 319	0	1 319	0
Interest expenditure on other liabilities	23	1	22	0
INTEREST AND DIVIDEND INCOME, NET	53 516	28 713	22 459	2 344
CREDIT PROVISIONS				
Accrued provisions	15 466			
Reintegrated provisions	7 370			
Credit provisions, net	8 096			
TRADING PORTFOLIO GAIN/LOSS	-3 021			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	25 506			
NON-INTEREST EXPENDITURE	34 674			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	33 231			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-1 041			
EXTRAORDINARY GAIN/LOSS	0			
TAX	4 823			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	27 367			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Heinz Meidlinger Wolfgang Edelmueller Josef Duregger Robert Zadrazil
Management Board	Peter Harold – Chairman and Chief Executive Director Andrea Casini – Deputy Chairman and Executive Director Emiliya Stefanova Palibachiyska – Executive Director Maria Dimova Ilieva* – Executive Director Ludwig Wagner – Executive Director
Shareholders (shares over 10%)	Bank Austria Creditanstalt – 99.59%

* On 4 September 2006 Emiliya Milanova, Deputy Governor of the BNB, issued Certificate of Professional Qualification to Maria Dimova Ilieva in her capacity as Member of the Management Board and Executive Director of MKB Unionbank AD.

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	24 941	0	24 941	17 180	7 241	520
Claims on financial institutions, net	112 079	93 950	18 129	14 596	2 936	597
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	37 034	0	37 034	23 679	9 123	4 232
Investment portfolio	46	0	46	46	0	0
Loans to non-financial institutions and other customers, net	175 526	0	175 526	147 724	19 356	8 446
Loans to budget	0	0	0	0	0	0
Commercial loans	166 049	0	166 049	138 260	19 355	8 434
Commercial real estate and construction loans	2 316	0	2 316	2 316	0	0
Other commercial loans	163 733	0	163 733	135 944	19 355	8 434
Agricultural loans	43	0	43	31	0	12
Consumer loans	1 744	0	1 744	1 744	0	0
Housing mortgage loans to individuals	7 542	0	7 542	7 542	0	0
Other loans	175	0	175	174	1	0
Loans to non-financial institutions and other customers, total	175 553	0	175 553	147 751	19 356	8 446
Less: specific provisions	27	0	27	27	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	2 726	0	2 726	1 414	720	592
Intangible assets	147	0	147	147	0	0
Premises and other fixed assets	851	0	851	851	0	0
Assets, total	353 350	93 950	259 400	205 637	39 376	14 387
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	57 702	553	57 149	31 283	20 269	5 597
Demand deposits of banks	38 066	553	37 513	27 837	4 310	5 366
Time deposits of banks	9 793	0	9 793	0	9 793	0
Deposits of other financial institutions	9 843	0	9 843	3 446	6 166	231
Deposits of non-financial institutions and other customers	257 462	0	257 462	119 241	105 422	32 799
Demand deposits	209 059	0	209 059	94 363	96 980	17 716
Time deposits	48 403	0	48 403	24 878	8 442	15 083
Savings deposits	0	0	0	0	0	0
Deposits, total	315 164	553	314 611	150 524	125 691	38 396
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	113	0	113	0	106	7
Long-term borrowings	0	0	0	0	0	0
Other liabilities	8 843	4 194	4 649	685	661	3 303
Liabilities, total	324 120	4 747	319 373	151 209	126 458	41 706
Reserves and financial result, total	29 230	26 721	2 509	2 509		
Reserves	26 721	26 721	0	0		
Profit/loss, current year	2 509	0	2 509	2 509		
Liabilities, reserves, and financial result, total	353 350	31 468	321 882	153 718	126 458	41 706
Memo: credit substitutes and other off-balance sheet commitments	353 461	0	353 461	102 251	182 861	68 349

INCOME STATEMENT
(June 2006)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	10 034	4 126	5 908	4 706	581	621
Interest income from claims on financial institutions	4 615	4 126	489	245	234	10
Interest income from claims under repurchase agreements	8	0	8	8	0	0
Interest income from trading portfolio	795	0	795	795	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	4 616	0	4 616	3 658	347	611
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	3 758	1 325	2 433	626	1084	723
Interest expenditure on deposits of financial institutions	2 143	1 325	818	388	222	208
Interest expenditure on deposits of non-financial institutions and other customers	1 348	0	1 348	238	602	508
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	267	0	267	0	260	7
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	6 276	2 801	3 475	4 080	-503	-102
CREDIT PROVISIONS						
Accrued provisions	16	0	16			
Reintegrated provisions	35	0	35			
Credit provisions, net	-19	0	-19			
TRADING PORTFOLIO GAIN/LOSS	810	0	810			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	3 220	-386	3 606			
NON-INTEREST EXPENDITURE	7 930	47	7 883			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 395	2 368	27			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	557	346	211			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	443	0	443			
PROFIT/LOSS, NET	2 509	2 714	-205			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006**

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 – Executive Director Vladimir Boyanov Tchimov – Executive Director Dimitar Nikolov Kostadinov – Executive Director
Shareholders (shares over 10%)	Sole shareholder: ING Group N. V./4972

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	26 920	7 847	18 479	594
Claims on financial institutions, net	18 534	123	2 522	15 889
Claims under repurchase agreements	0	0	0	0
Trading portfolio	148	148	0	0
Investment portfolio	33 028	26 280	5 024	1 724
Loans to non-financial institutions and other customers, net	210 240	118 384	81 806	10 050
Loans to budget	2 024	1 989	35	0
Commercial loans	132 122	78 160	43 739	10 223
Commercial real estate and construction loans	33 914	16 212	16 706	996
Other commercial loans	98 208	61 948	27 033	9 227
Agricultural loans	8 915	8 915	0	0
Consumer loans	6 741	6 074	614	53
Housing mortgage loans to individuals	4 057	761	3 296	0
Other loans	60 955	26 391	34 237	327
Loans to non-financial institutions and other customers, total	214 814	122 290	81 921	10 603
Less: specific provisions	4 574	3 906	115	553
Assets for resale	5 469	5 469	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	6 272	5 585	602	85
Intangible assets	135	135	0	0
Premises and other fixed assets	15 114	15 114	0	0
Assets, total	315 860	179 085	108 433	28 342
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	18 334	3 506	14 813	15
Demand deposits of banks	19	19	0	0
Time deposits of banks	17 434	2 857	14 577	0
Deposits of other financial institutions	881	630	236	15
Deposits of non-financial institutions and other customers	199 161	97 450	73 667	28 044
Demand deposits	96 276	74 622	15 521	6 133
Time deposits	91 275	18 961	52 471	19 843
Savings deposits	11 610	3 867	5 675	2 068
Deposits, total	217 495	100 956	88 480	28 059
Borrowings under repurchase agreements	17 520	17 520	0	0
Short-term borrowings	26 965	0	26 965	0
Long-term borrowings	7 916	7 916	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	9 625	3 853	5 206	566
Liabilities, total	279 521	130 245	120 651	28 625
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	36 339	36 339		
Shareholder capital	20 050	20 050		
Reserves	13 361	13 361		
Profit/loss, current year	2 928	2 928		
Liabilities, minority interest, and capital, total	315 860	166 584	120 651	28 625
Memo: credit substitutes and other off-balance sheet commitments	104 877	74 855	26 112	3 910

* Former First East International Bank, UNIBANK.

INCOME STATEMENT
 (June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	10 913	6 526	3 486	901
Interest income from claims on financial institutions	357	0	55	302
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	667	501	129	37
Interest income from investment portfolio	0	0	0	0
Interest income from loans	9 889	6 025	3 302	562
Dividend income	0	0	0	0
INTEREST EXPENDITURE	3 696	1 187	2 142	367
Interest expenditure on deposits of financial institutions	233	45	188	0
Interest expenditure on deposits of non-financial institutions and other customers	2 387	928	1 092	367
Interest expenditure on borrowings under repurchase agreements	134	134	0	0
Interest expenditure on borrowings	866	68	798	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	76	12	64	0
INTEREST AND DIVIDEND INCOME, NET	7 217	5 339	1 344	534
CREDIT PROVISIONS				
Accrued provisions	1 849			
Reintegrated provisions	428			
Credit provisions, net	1 421			
TRADING PORTFOLIO GAIN/LOSS	1			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-352			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	4 442			
NON-INTEREST EXPENDITURE	6 289			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 598			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-149			
EXTRAORDINARY GAIN/LOSS	0			
TAX	521			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 928			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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, vol. 1, p. 140, lot No. 53
Address of the head office	81–83 Todor Alexandrov Blvd., Sofia 1303 tel. 02/812 01 11; 920 43 03 Website: www.iabank.bg
Management	
Supervisory Board	Ivan Minkov Dragnevski – Chairman Georgi Stoinev Harizanov – Deputy Chairman Georgi Borislavov Georgiev Mladen Ivanov Moutafchiyski
Management Board	Anna Dimitrova Sabeva – Chairman and President Rossitsa Asenova Tosheva – Executive Vice President Youri Jaque Aroyo Kostadin Vasilev Karanlakov
Shareholders (shares over 10%)	
	Dynatrade International – 25.51%


BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	37 131	30 315	4 335	2 481
Claims on financial institutions, net	52 596	13 260	23 271	16 065
Claims under repurchase agreements	2 800	2 800	0	0
Trading portfolio	31 363	24 170	5 140	2 053
Investment portfolio	57 993	45 793	9 546	2 654
Loans to non-financial institutions and other customers, net	137 178	88 103	39 712	9 363
Loans to budget	1 440	0	1 440	0
Commercial loans	114 262	71 503	34 066	8 693
Commercial real estate and construction loans	27 643	14 529	10 820	2 294
Other commercial loans	86 619	56 974	23 246	6 399
Agricultural loans	8 066	8 066	0	0
Consumer loans	9 560	7 889	1 001	670
Housing mortgage loans to individuals	7 373	4 120	3 253	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	140 701	91 578	39 760	9 363
Less: specific provisions	3 523	3 475	48	0
Assets for resale	17	17	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	3 103	2 088	868	147
Intangible assets	638	638	0	0
Premises and other fixed assets	3 965	3 965	0	0
Assets, total	326 784	211 149	82 872	32 763
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	24 219	21 803	2 161	255
Demand deposits of banks	1 247	21	978	248
Time deposits of banks	10 001	10 001	0	0
Deposits of other financial institutions	12 971	11 781	1 183	7
Deposits of non-financial institutions and other customers	252 858	136 342	86 566	29 950
Demand deposits	71 123	60 313	9 383	1 427
Time deposits	166 670	72 397	67 832	26 441
Savings deposits	15 065	3 632	9 351	2 082
Deposits, total	277 077	158 145	88 727	30 205
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	13	0	0	13
Long-term borrowings	22 582	8 789	13 793	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	5 006	2 681	2 212	113
Liabilities, total	304 678	169 615	104 732	30 331
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	22 106	22 106		
Shareholder capital	20 000	20 000		
Reserves	1 677	1 677		
Profit/loss, current year	429	429		
Liabilities, minority interest, and capital, total	326 784	191 721	104 732	30 331
Memo: credit substitutes and other off-balance sheet commitments	29 568	16 074	10 951	2 543

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	9 354	5 631	2 661	1 062
Interest income from claims on financial institutions	814	289	204	321
Interest income from claims under repurchase agreements	60	60	0	0
Interest income from trading portfolio	486	354	88	44
Interest income from investment portfolio	1 388	969	324	95
Interest income from loans	6 591	3 944	2 045	602
Dividend income	15	15	0	0
INTEREST EXPENDITURE	5 740	2 423	2 678	639
Interest expenditure on deposits of financial institutions	419	396	21	2
Interest expenditure on deposits of non-financial institutions and other customers	4 766	1 939	2 190	637
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	555	88	467	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	3 614	3 208	-17	423
CREDIT PROVISIONS				
Accrued provisions	307			
Reintegrated provisions	96			
Credit provisions, net	211			
TRADING PORTFOLIO GAIN/LOSS	-105			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	280			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-113			
OTHER NON-INTEREST INCOME	2 660			
NON-INTEREST EXPENDITURE	5 893			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	232			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	205			
EXTRAORDINARY GAIN/LOSS	40			
TAX	48			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	429			


STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 86 112; 81 86 130 Website: www.ibank.bg
Management	
Supervisory Board	Petya Ivanova Barakova-Slavova – Chairman Vincom AD, represented by Petya Ivanova Barakova-Slavova Festa Holding AD, represented by Dimitar Marinov Dimitrov
Management Board	Vladimir Ivanov Vladimirov – Chairman and Executive Director Stefan Stoev Stoev – Executive Director Ivan Kunchov Mavrov – Executive Director Plamen Yordanov Milkov – Executive Director Pencho Stoyanov Cherkezev – Procurator
Shareholders (shares over 10%)	
	Festa Holding – 78.73% Vincom – 15.49%

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	33 936	19 974	11 974	1 988
Claims on financial institutions, net	197 418	21 767	122 709	52 942
Claims under repurchase agreements	0	0	0	0
Trading portfolio	42 585	8 160	21 269	13 156
Investment portfolio	15 332	12 837	1 942	553
Loans to non-financial institutions and other customers, net	293 031	54 256	225 077	13 698
Loans to budget	518	518	0	0
Commercial loans	257 586	44 296	199 640	13 650
Commercial real estate and construction loans	125 521	3 385	113 639	8 497
Other commercial loans	132 065	40 911	86 001	5 153
Agricultural loans	7 809	6 233	1 576	0
Consumer loans	13 408	4 056	9 334	18
Housing mortgage loans to individuals	17 081	187	16 531	363
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	296 402	55 290	227 081	14 031
Less: specific provisions	3 371	1 034	2 004	333
Assets for resale	413	413	0	0
Investments in unconsolidated subsidiaries and associated companies	2000	2000	0	0
Other assets	2 646	2 505	135	6
Intangible assets	1 247	1 247	0	0
Premises and other fixed assets	5 123	5 123	0	0
Assets, total	593 731	128 282	383 106	82 343
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	32 913	10 437	22 170	306
Demand deposits of banks	93	16	0	77
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	32 820	10 421	22 170	229
Deposits of non-financial institutions and other customers	432 625	125 076	231 619	75 930
Demand deposits	122 039	69 667	26 479	25 893
Time deposits	299 629	54 715	197 592	47 322
Savings deposits	10 957	694	7 548	2 715
Deposits, total	465 538	135 513	253 789	76 236
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	58 734	6 182	46 763	5 789
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	5 342	3 657	1 198	487
Liabilities, total	529 614	145 352	301 750	82 512
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	64 117	64 117		
Shareholder capital	15 412	15 412		
Reserves	45 779	45 779		
Profit/loss, current year	2 926	2 926		
Liabilities, minority interest, and capital, total	593 731	209 469	301 750	82 512
Memo: credit substitutes and other off-balance sheet commitments	39 451	26 226	9 853	3 372



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	19 324	3 847	13 069	2 408
Interest income from claims on financial institutions	1 825	74	796	955
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	1 144	200	616	328
Interest income from investment portfolio	423	360	49	14
Interest income from loans	15 932	3 213	11 608	1 111
Dividend income	0	0	0	0
INTEREST EXPENDITURE	8 852	1 849	5 573	1 430
Interest expenditure on deposits of financial institutions	824	395	428	1
Interest expenditure on deposits of non-financial institutions and other customers	5 845	1 402	3 299	1 144
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	2 183	52	1 846	285
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	10 472	1 998	7 496	978
CREDIT PROVISIONS				
Accrued provisions	1 551			
Reintegrated provisions	1 692			
Credit provisions, net	-141			
TRADING PORTFOLIO GAIN/LOSS	-2 128			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-82			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	4 131			
NON-INTEREST EXPENDITURE	9 849			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION,				
EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 685			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	744			
EXTRAORDINARY GAIN/LOSS	0			
TAX	503			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 926			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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	30–32 General Tottleben Blvd., Krasno Selo District, Sofia 1606 tel. 02/9153 333; 9153 315 Website: www.unionbank.bg
Management	
Supervisory Board	Tamas Erdei – Chairman Imre Balogh – Deputy Chairman Gerhard Gribkowsky Emanuil Yankov Manolov Union Group, represented by Emil Ivanov Ivanov
Management Board	Ivan Totev Radev – Chairman and Chief Executive Director Anna Ivanova Asparouhova – Deputy Chairman and Executive Director Dorcho Dimitrov Ilchev – Executive Director Peter Cherfalvi – Executive Director Ivailo Tsvetanov Donchev
Shareholders (shares over 10%)	
	MKB Bank, Hungary – 60% Union Group – 19.86% Boras – 14.14%



MUNICIPAL BANK PLC

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	61 586	56 579	2 847	2 160
Claims on financial institutions, net	138 793	37 282	85 315	16 196
Claims under repurchase agreements	59 057	59 057	0	0
Trading portfolio	80 456	72 183	6 135	2 138
Investment portfolio	48 507	32 875	15 613	19
Loans to non-financial institutions and other customers, net	165 722	118 280	40 530	6 912
Loans to budget	5 331	5 331	0	0
Commercial loans	145 052	92 305	46 066	6 681
Commercial real estate and construction loans	50 428	24 608	24 172	1 648
Other commercial loans	94 624	67 697	21 894	5 033
Agricultural loans	2 485	2 448	37	0
Consumer loans	20 153	19 554	599	0
Housing mortgage loans to individuals	4 578	3 602	976	0
Other loans	6 861	6 268	362	231
Loans to non-financial institutions and other customers, total	184 460	129 508	48 040	6 912
Less: specific provisions	18 738	11 228	7 510	0
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	3 088	3 058	25	5
Intangible assets	2 355	2 355	0	0
Premises and other fixed assets	8 711	8 711	0	0
Assets, total	568 275	390 380	150 465	27 430
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	54 622	26 352	27 035	1 235
Demand deposits of banks	1 392	106	79	1 207
Time deposits of banks	42 848	18 400	24 448	0
Deposits of other financial institutions	10 382	7 846	2 508	28
Deposits of non-financial institutions and other customers	407 172	324 616	57 118	25 438
Demand deposits	261 567	246 960	11 134	3 473
Time deposits	134 972	72 041	42 631	20 300
Savings deposits	10 633	5 615	3 353	1 665
Deposits, total	461 794	350 968	84 153	26 673
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	11 386	120	11 266	0
Long-term borrowings	46 628	494	46 134	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	6 194	5 328	536	330
Liabilities, total	526 002	356 910	142 089	27 003
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	42 273	42 273		
Shareholder capital	25 000	25 000		
Reserves	16 266	16 266		
Profit/loss, current year	1 007	1 007		
Liabilities, minority interest, and capital, total	568 275	399 183	142 089	27 003
Memo: credit substitutes and other off-balance sheet commitments	58 944	46 742	11 853	349



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	14 256	9 682	3 620	954
Interest income from claims on financial institutions	1 422	251	816	355
Interest income from claims under repurchase agreements	436	436	0	0
Interest income from trading portfolio	3 495	2 888	561	46
Interest income from investment portfolio	249	175	74	0
Interest income from loans	8 654	5 932	2 169	553
Dividend income	0	0	0	0
INTEREST EXPENDITURE	4 605	1 847	2 378	380
Interest expenditure on deposits of financial institutions	287	218	55	14
Interest expenditure on deposits of non-financial institutions and other customers	2 767	1 618	783	366
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	1 551	11	1 540	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	9 651	7 835	1 242	574
CREDIT PROVISIONS				
Accrued provisions	4 212			
Reintegrated provisions	4 181			
Credit provisions, net	31			
TRADING PORTFOLIO GAIN/LOSS	-290			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	135			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	4 008			
NON-INTEREST EXPENDITURE	12 385			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION,				
EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 088			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	105			
EXTRAORDINARY GAIN/LOSS	0			
TAX	186			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 007			



MUNICIPAL BANK PLC

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Paounkov Kolev – Chairman Nikifor Istaliyanov Vangelov – Deputy Chairman Spas Simeonov Dimitrov
Management Board	Vasil Petrov Vasilev – Chairman Alexander Petrov Lichev – Executive Director Vasil Borisov Trenev – Executive Director Georgi Hristov Belovski – Executive Director Violeta Stefanova Ilieva – Executive Director
Procurators	Asya Boyanova Krumova Violeta Stefanova Ilieva Radostina Draganova Dimova
Shareholders (shares over 10%)	
	Sofia Municipality – 67%



NATIONAL BANK OF GREECE, SOFIA BRANCH

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Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	0	0	0	0	0	0
Claims on financial institutions, net	1 293	1 293	0	0	0	0
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	0	0	0	0	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	514	415	99	99	0	0
Intangible assets	0	0	0	0	0	0
Premises and other fixed assets	0	0	0	0	0	0
Assets, total	1 807	1 708	99	99	0	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	0	0	0	0	0	0
Demand deposits	0	0	0	0	0	0
Time deposits	0	0	0	0	0	0
Savings deposits	0	0	0	0	0	0
Deposits, total	0	0	0	0	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	8	0	8	8	0	0
Liabilities, total	8	0	8	8	0	0
Reserves and financial result, total	1 799	1 910	-111	-111		
Reserves	1 910	1 910	0	0		
Profit/loss, current year	-111	0	-111	-111		
Liabilities, reserves, and financial result, total	1 807	1 910	-103	-103	0	0
Memo: credit substitutes and other off-balance sheet commitments	0	0	0	0	0	0



NATIONAL BANK OF GREECE, SOFIA BRANCH

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	0	0	0	0	0	0
Interest income from claims on financial institutions	0	0	0	0	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	0	0	0	0	0	0
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	0	0	0	0	0	0
Interest expenditure on deposits of financial institutions	0	0	0	0	0	0
Interest expenditure on deposits of non-financial institutions and other customers	0	0	0	0	0	0
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	0	0	0	0	0	0
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	0	0	0			
NON-INTEREST EXPENDITURE	111	0	111			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA						
INCOME/EXPENDITURE AND TAX ITEMS	-111	0	-111			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	0	0	0			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	0	0	0			
PROFIT/LOSS, NET	-111	0	-111			



NATIONAL BANK OF GREECE, SOFIA BRANCH

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Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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

NLB West-East bank

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	9 494	6 818	2 546	130
Claims on financial institutions, net	29 354	1 063	28 156	135
Claims under repurchase agreements	0	0	0	0
Trading portfolio	300	300	0	0
Investment portfolio	3 860	1 854	2 006	0
Loans to non-financial institutions and other customers, net	83 128	26 415	52 592	4 121
Loans to budget	0	0	0	0
Commercial loans	64 951	7 229	53 167	4 555
Commercial real estate and construction loans	33 024	2 689	29 393	942
Other commercial loans	31 927	4 540	23 774	3 613
Agricultural loans	20 732	20 732	0	0
Consumer loans	372	121	251	0
Housing mortgage loans to individuals	255	50	205	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	86 310	28 132	53 623	4 555
Less: specific provisions	3 182	1 717	1 031	434
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	759	759	0	0
Other assets	831	217	596	18
Intangible assets	647	647	0	0
Premises and other fixed assets	378	378	0	0
Assets, total	128 751	38 451	85 896	4 404
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	29 995	453	25 575	3 967
Demand deposits of banks	22	2	17	3
Time deposits of banks	29 194	0	25 230	3 964
Deposits of other financial institutions	779	451	328	0
Deposits of non-financial institutions and other customers	42 730	19 503	22 376	851
Demand deposits	25 690	5 250	19 746	694
Time deposits	17 040	14 253	2 630	157
Savings deposits	0	0	0	0
Deposits, total	72 725	19 956	47 951	4 818
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	29 749	17 032	12 717	0
Subordinated term debt and debt/equity (hybrid) instruments	6 014	0	6 014	0
Other liabilities	2 196	618	1 564	14
Liabilities, total	110 684	37 606	68 246	4 832
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	18 067	18 067		
Shareholder capital	15 800	15 800		
Reserves	404	404		
Profit/loss, current year	1 863	1 863		
Liabilities, minority interest, and capital, total	128 751	55 673	68 246	4 832
Memo: credit substitutes and other off-balance sheet commitments	24 328	7 002	13 843	3 483

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 914	1 602	3 103	209
Interest income from claims on financial institutions	399	19	353	27
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	132	59	73	0
Interest income from loans	4 383	1 524	2 677	182
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 249	460	686	103
Interest expenditure on deposits of financial institutions	480	2	384	94
Interest expenditure on deposits of non-financial institutions and other customers	410	286	115	9
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	359	172	187	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	3 665	1 142	2 417	106
CREDIT PROVISIONS				
Accrued provisions	455			
Reintegrated provisions	0			
Credit provisions, net	455			
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	406			
NON-INTEREST EXPENDITURE	1 791			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 825			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	105			
EXTRAORDINARY GAIN/LOSS	0			
TAX	67			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 863			

NLB West-East bank

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

License granted by the BNB	Order No. RD 22-1067 of 13 August 2003 of the BNB Governor entitling the West-East 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 Centre tel. 02/970 24 10 Website: www.westeastbank.bg
Management	
Supervisory Board	Boris Pesjak – Chairman Andrej Hazabent Gregor Kaiser
Management Board	Dusan Valencic – Chairman and Executive Director Nabil Khalil Issa – Executive Director Margarita Atanasova Gencheva – Executive Director
Procurator	Safi Said Harb
Shareholders (shares over 10%)	
	Nova Ljubljanska Banka, Slovenia – 72.51%
	LB Maxima, Ljubljana – 24.50%

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	189 996	54 604	128 716	6 676
Claims on financial institutions, net	147 974	71 492	12 512	63 970
Claims under repurchase agreements	0	0	0	0
Trading portfolio	68 433	36 939	8 358	23 136
Investment portfolio	44 732	31 179	9 164	4 389
Loans to non-financial institutions and other customers, net	879 332	292 961	556 520	29 851
Loans to budget	0	0	0	0
Commercial loans	724 174	216 582	477 430	30 162
Commercial real estate and construction loans	223 426	24 743	194 799	3 884
Other commercial loans	500 748	191 839	282 631	26 278
Agricultural loans	12 496	9 577	2 919	0
Consumer loans	60 894	56 122	4 697	75
Housing mortgage loans to individuals	104 861	25 623	79 052	186
Other loans	471	341	55	75
Loans to non-financial institutions and other customers, total	902 896	308 245	564 153	30 498
Less: specific provisions	23 564	15 284	7 633	647
Assets for resale	1 063	1 063	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	46 416	24 516	18 199	3 701
Intangible assets	1 892	1 892	0	0
Premises and other fixed assets	19 227	19 227	0	0
Assets, total	1 399 065	533 873	733 469	131 723
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	538 597	124 178	386 372	28 047
Demand deposits of banks	0	0	0	0
Time deposits of banks	485 215	73 510	383 997	27 708
Deposits of other financial institutions	53 382	50 668	2 375	339
Deposits of non-financial institutions and other customers	626 980	260 717	270 346	95 917
Demand deposits	235 469	125 006	97 686	12 777
Time deposits	338 549	128 088	130 902	79 559
Savings deposits	52 962	7 623	41 758	3 581
Deposits, total	1 165 577	384 895	656 718	123 964
Borrowings under repurchase agreements	8 857	8 857	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	27 245	13 598	13 646	1
Subordinated term debt and debt/equity (hybrid) instruments	39 579	0	39 579	0
Other liabilities	81 160	46 889	25 476	8 795
Liabilities, total	1 322 418	454 239	735 419	132 760
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	76 647	76 647		
Shareholder capital	50 804	50 804		
Reserves	15 007	15 007		
Profit/loss, current year	10 836	10 836		
Liabilities, minority interest, and capital, total	1 399 065	530 886	735 419	132 760
Memo: credit substitutes and other off-balance sheet commitments	167 084	96 177	65 712	5 195



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	33 291	14 865	14 790	3 636
Interest income from claims on financial institutions	2 570	509	129	1 932
Interest income from claims under repurchase agreements	4	4	0	0
Interest income from trading portfolio	1 767	1 014	221	532
Interest income from investment portfolio	550	333	94	123
Interest income from loans	28 400	13 005	14 346	1 049
Dividend income	0	0	0	0
INTEREST EXPENDITURE	14 896	5 295	6 922	2 679
Interest expenditure on deposits of financial institutions	6 363	1 704	3 863	796
Interest expenditure on deposits of non-financial institutions and other customers	7 084	3 174	2 027	1 883
Interest expenditure on borrowings under repurchase agreements	110	110	0	0
Interest expenditure on borrowings	823	305	518	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	514	0	514	0
Interest expenditure on other liabilities	2	2	0	0
INTEREST AND DIVIDEND INCOME, NET	18 395	9 570	7 868	957
CREDIT PROVISIONS				
Accrued provisions	6 402			
Reintegrated provisions	5 134			
Credit provisions, net	1 268			
TRADING PORTFOLIO GAIN/LOSS	-5 225			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-39			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	11 264			
NON-INTEREST EXPENDITURE	14 077			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	9 050			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	3 711			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 925			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	10 836			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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	3 Vitosha Blvd., Sredets District, Sofia 1000 tel. 02/9805654 Website: www.piraeusbank.bg
Management	
Board of Directors	Michael Colakides – Chairman Athanasios Kutsopoulos – Chief Executive Officer Emil Angelov John Kyriakopoulos George Mantakas George Papaioannou Spiridon Papaspyrou Vassiliki Campbell Ilias Milis
Executive Members of the Board of Directors	Athanasios Kutsopoulos – Chief Executive Director Emil Angelov – Deputy Chief Executive Director
Shareholders (shares over 10%)	Piraeus Bank, Athens, Greece – 99.79%



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	639 053	152 254	478 887	7 912
Claims on financial institutions, net	194 363	10 038	150 865	33 460
Claims under repurchase agreements	16 923	12 355	3 991	577
Trading portfolio	120 500	55 125	43 455	21 920
Investment portfolio	28 740	9 164	14 174	5 402
Loans to non-financial institutions and other customers, net	1 149 148	616 603	505 494	27 051
Loans to budget	0	0	0	0
Commercial loans	658 434	259 374	373 005	26 055
Commercial real estate and construction loans	132 947	26 338	102 499	4 110
Other commercial loans	525 487	233 036	270 506	21 945
Agricultural loans	3 080	2 884	196	0
Consumer loans	293 014	291 833	1 076	105
Housing mortgage loans to individuals	205 740	100 362	104 631	747
Other loans	41 709	7 194	34 321	194
Loans to non-financial institutions and other customers, total	1 201 977	661 647	513 229	27 101
Less: specific provisions	52 829	45 044	7 735	50
Assets for resale	510	510	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	18 027	7 435	5 750	4 842
Intangible assets	10 407	10 407	0	0
Premises and other fixed assets	50 903	50 903	0	0
Assets, total	2 228 574	924 794	1 202 616	101 164
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	76 578	59 637	15 294	1 647
Demand deposits of banks	3 111	2 468	526	117
Time deposits of banks	28 162	24 446	3 716	0
Deposits of other financial institutions	45 305	32 723	11 052	1 530
Deposits of non-financial institutions and other customers	1 751 052	612 155	955 831	183 066
Demand deposits	415 593	267 176	119 516	28 901
Time deposits	1 164 794	269 073	785 367	110 354
Savings deposits	170 665	75 906	50 948	43 811
Deposits, total	1 827 630	671 792	971 125	184 713
Borrowings under repurchase agreements	11 701	11 701	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	74 441	61 250	13 191	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	31 724	22 893	6 287	2 544
Liabilities, total	1 945 496	767 636	990 603	187 257
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	283 078	283 078		
Shareholder capital	207 716	207 716		
Reserves	59 212	59 212		
Profit/loss, current year	16 150	16 150		
Liabilities, minority interest, and capital, total	2 228 574	1 050 714	990 603	187 257
Memo: credit substitutes and other off-balance sheet commitments	473 220	234 972	215 369	22 879

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	67 696	40 461	23 403	3 832
Interest income from claims on financial institutions	4 817	137	2 640	2 040
Interest income from claims under repurchase agreements	400	285	73	42
Interest income from trading portfolio	2 073	649	1 000	424
Interest income from investment portfolio	1 183	201	898	84
Interest income from loans	59 223	39 189	18 792	1 242
Dividend income	0	0	0	0
INTEREST EXPENDITURE	22 802	8 402	12 778	1 622
Interest expenditure on deposits of financial institutions	1 809	581	1 181	47
Interest expenditure on deposits of non-financial institutions and other customers	15 677	6 439	7 824	1 414
Interest expenditure on borrowings under repurchase agreements	76	76	0	0
Interest expenditure on borrowings	3 928	1 303	2 625	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	1 312	3	1 148	161
INTEREST AND DIVIDEND INCOME, NET	44 894	32 059	10 625	2 210
CREDIT PROVISIONS				
Accrued provisions	25 848			
Reintegrated provisions	16 855			
Credit provisions, net	8 993			
TRADING PORTFOLIO GAIN/LOSS	-2 656			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	2 611			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	26 216			
NON-INTEREST EXPENDITURE	43 877			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	18 195			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	993			
EXTRAORDINARY GAIN/LOSS	-165			
TAX	2 873			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	16 150			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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	
Board of Directors	<p>Antonios Konstantinos Hassiotis – Chief Executive Director</p> <p>Theodore Karakassis – Executive Director</p> <p>Asen Vasilev Yagodin – Executive Director</p> <p>Evangelos Yoanis Kavalos</p> <p>Haralambos Margaritis Kyrkos</p> <p>Hristos Prodromos Komiopoulos</p> <p>Piergiorgio Pradelli</p> <p>Georgios Spiridon Katsaros</p>
Procurator	Petya Nikolova Dimitrova
Shareholders (shares over 10%)	
	EFG Eurobank Ergasias S. A. – 75.33%
	CEN Balkan Holdings Limited – 24.33%



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	182 939	21 397	159 362	2 180
Claims on financial institutions, net	21 201	228	12 242	8 731
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	5 195	95	4 390	710
Loans to non-financial institutions and other customers, net	365 632	250 985	113 692	955
Loans to budget	0	0	0	0
Commercial loans	310 318	213 996	95 387	935
Commercial real estate and construction loans	2 342	454	1 888	0
Other commercial loans	307 976	213 542	93 499	935
Agricultural loans	20 687	20 589	98	0
Consumer loans	18 063	17 623	434	6
Housing mortgage loans to individuals	26 424	5 985	20 418	21
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	375 492	258 193	116 337	962
Less: specific provisions	9 860	7 208	2 645	7
Assets for resale	7	7	0	0
Investments in unconsolidated subsidiaries and associated companies	500	500	0	0
Other assets	11 424	2 431	8 950	43
Intangible assets	2 017	2 017	0	0
Premises and other fixed assets	8 374	8 374	0	0
Assets, total	597 289	286 034	298 636	12 619
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	66 809	53 265	2 861	10 683
Demand deposits of banks	1 144	1	820	323
Time deposits of banks	26 796	15 350	1 956	9 490
Deposits of other financial institutions	38 869	37 914	85	870
Deposits of non-financial institutions and other customers	289 827	172 931	90 661	26 235
Demand deposits	90 463	66 989	20 273	3 201
Time deposits	194 673	104 342	67 611	22 720
Savings deposits	4 691	1 600	2 777	314
Deposits, total	356 636	226 196	93 522	36 918
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	43 967	18 204	25 763	0
Long-term borrowings	119 282	0	119 282	0
Subordinated term debt and debt/equity (hybrid) instruments	19 934	0	19 934	0
Other liabilities	10 243	4 805	4 972	466
Liabilities, total	550 062	249 205	263 473	37 384
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	47 227	47 227		
Shareholder capital	34 500	34 500		
Reserves	9 783	9 783		
Profit/loss, current year	2 944	2 944		
Liabilities, minority interest, and capital, total	597 289	296 432	263 473	37 384
Memo: credit substitutes and other off-balance sheet commitments	57 564	39 342	17 106	1 116



INCOME STATEMENT (June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	27 348	15 280	11 746	322
Interest income from claims on financial institutions	1 023	4	780	239
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	202	0	176	26
Interest income from loans	26 123	15 276	10 790	57
Dividend income	0	0	0	0
INTEREST EXPENDITURE	11 247	5 036	5 555	656
Interest expenditure on deposits of financial institutions	1 462	1 206	48	208
Interest expenditure on deposits of non-financial institutions and other customers	4 398	3 023	1 063	312
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	4 630	807	3 687	136
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	757	0	757	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	16 101	10 244	6 191	-334
CREDIT PROVISIONS				
Accrued provisions	10 388			
Reintegrated provisions	8 483			
Credit provisions, net	1 905			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-292			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	4 622			
NON-INTEREST EXPENDITURE	15 269			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 257			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	72			
EXTRAORDINARY GAIN/LOSS	133			
TAX	518			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 944			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Website: www.procreditbank.bg
Management	
Supervisory Board	Klaus-Peter Zeitingner – Chairman Judith Brandsma – Deputy Chairman Hanns Martin Hagen – Deputy Chairman Helmut Toellner Christoph Freytag
Management Board	Susanne Decker Petar Slavchev Slavov Emilia Hristova Tsareva Kai Ilm
Shareholders (shares over 10%)	
	ProCredit Holding AG – 59.13% European Bank for Reconstruction and Development – 19.71% Commerzbank AG – 19.71%



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	241 342	48 953	185 359	7 030
Claims on financial institutions, net	471 512	38 843	202 078	230 591
Claims under repurchase agreements	47 264	0	47 264	0
Trading portfolio	435 902	87 169	255 895	92 838
Investment portfolio	295 605	132 639	154 141	8 825
Loans to non-financial institutions and other customers, net	1 496 052	604 598	862 224	29 230
Loans to budget	23 965	2 160	21 805	0
Commercial loans	1 074 882	273 539	767 356	33 987
Commercial real estate and construction loans	204 966	16 416	186 460	2 090
Other commercial loans	869 916	257 123	580 896	31 897
Agricultural loans	26 045	17 736	8 309	0
Consumer loans	307 324	286 384	20 914	26
Housing mortgage loans to individuals	113 300	42 139	70 300	861
Other loans	147	0	147	0
Loans to non-financial institutions and other customers, total	1 545 663	621 958	888 831	34 874
Less: specific provisions	49 611	17 360	26 607	5 644
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	4700	4700	0	0
Other assets	10 985	7 046	1 531	2 408
Intangible assets	9 297	9 297	0	0
Premises and other fixed assets	17 812	17 812	0	0
Assets, total	3 030 471	951 057	1 708 492	370 922
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	206 792	60 201	77 646	68 945
Demand deposits of banks	20 507	5 660	14 761	86
Time deposits of banks	152 168	30 529	53 208	68 431
Deposits of other financial institutions	34 117	24 012	9 677	428
Deposits of non-financial institutions and other customers	1 919 369	732 621	892 926	293 822
Demand deposits	990 457	453 413	424 757	112 287
Time deposits	928 856	279 205	468 121	181 530
Savings deposits	56	3	48	5
Deposits, total	2 126 161	792 822	970 572	362 767
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	477 420	8 280	419 215	49 925
Subordinated term debt and debt/equity (hybrid) instruments	120 223	0	120 223	0
Other liabilities	92 359	22 671	65 406	4 282
Liabilities, total	2 816 163	823 773	1 575 416	416 974
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	214 308	214 308		
Shareholder capital	94 932	94 932		
Reserves	86 122	86 122		
Profit/loss, current year	33 254	33 254		
Liabilities, minority interest, and capital, total	3 030 471	1 038 081	1 575 416	416 974
Memo: credit substitutes and other off-balance sheet commitments	593 551	222 660	300 633	70 258



INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	92 504	53 450	34 710	4 344
Interest income from claims on financial institutions	5 674	312	3 223	2 139
Interest income from claims under repurchase agreements	360	4	356	0
Interest income from trading portfolio	9 877	9 877	0	0
Interest income from investment portfolio	6 427	6 829	-402	0
Interest income from loans	70 166	36 428	31 533	2 205
Dividend income	0	0	0	0
INTEREST EXPENDITURE	27 815	6 134	18 419	3 262
Interest expenditure on deposits of financial institutions	1 930	711	653	566
Interest expenditure on deposits of non-financial institutions and other customers	15 662	5 339	8 834	1 489
Interest expenditure on borrowings under repurchase agreements	25	25	0	0
Interest expenditure on borrowings	7 837	59	6 571	1 207
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	2 361	0	2 361	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	64 689	47 316	16 291	1 082
CREDIT PROVISIONS				
Accrued provisions	20 058			
Reintegrated provisions	14 304			
Credit provisions, net	5 754			
TRADING PORTFOLIO GAIN/LOSS	-2 266			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	262			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	18 355			
NON-INTEREST EXPENDITURE	35 892			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	39 394			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-261			
EXTRAORDINARY GAIN/LOSS	-10			
TAX	5 869			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	33 254			



Raiffeisen BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 Nadezhda Ilieva Mihailova – Procurator
Shareholders (shares over 10%)	
	Raiffeisen International Bank-Holding AG – 100%



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	115 735	37 936	73 233	4 566
Claims on financial institutions, net	147 298	8 975	70 580	67 743
Claims under repurchase agreements	0	0	0	0
Trading portfolio	32 532	25 737	858	5 937
Investment portfolio	3 337	3 333	4	0
Loans to non-financial institutions and other customers, net	759 665	483 675	260 036	15 954
Loans to budget	12	12	0	0
Commercial loans	440 895	167 589	259 266	14 040
Commercial real estate and construction loans	0	0	0	0
Other commercial loans	440 895	167 589	259 266	14 040
Agricultural loans	1 558	679	879	0
Consumer loans	309 850	308 485	873	492
Housing mortgage loans to individuals	20 766	15 385	3 868	1 513
Other loans	3 296	3 296	0	0
Loans to non-financial institutions and other customers, total	776 377	495 446	264 886	16 045
Less: specific provisions	16 712	11 771	4 850	91
Assets for resale	464	464	0	0
Investments in unconsolidated subsidiaries and associated companies	500	500	0	0
Other assets	7 094	5 512	1 444	138
Intangible assets	7 002	7 002	0	0
Premises and other fixed assets	48 931	48 931	0	0
Assets, total	1 122 558	622 065	406 155	94 338
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	129 092	59 690	69 394	8
Demand deposits of banks	43	43	0	0
Time deposits of banks	82 214	14 728	67 486	0
Deposits of other financial institutions	46 835	44 919	1 908	8
Deposits of non-financial institutions and other customers	793 125	399 519	218 134	175 472
Demand deposits	267 601	202 078	50 669	14 854
Time deposits	348 228	165 833	104 104	78 291
Savings deposits	177 296	31 608	63 361	82 327
Deposits, total	922 217	459 209	287 528	175 480
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	538	538	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	30 095	19 820	5 665	4 610
Liabilities, total	952 850	479 567	293 193	180 090
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	169 708	169 708		
Shareholder capital	28 530	28 530		
Reserves	118 261	118 261		
Profit/loss, current year	22 917	22 917		
Liabilities, minority interest, and capital, total	1 122 558	649 275	293 193	180 090
Memo: credit substitutes and other off-balance sheet commitments	264 470	98 459	143 915	22 096



SOCIETE GENERALE ЕКСПРЕСБАНК

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	37 292	26 284	8 029	2 979
Interest income from claims on financial institutions	2 947	49	765	2 133
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	770	770	0	0
Interest income from investment portfolio	44	28	16	0
Interest income from loans	33 531	25 437	7 248	846
Dividend income	0	0	0	0
INTEREST EXPENDITURE	9 318	6 756	1 661	901
Interest expenditure on deposits of financial institutions	1 229	1 172	57	0
Interest expenditure on deposits of non-financial institutions and other customers	8 085	5 580	1 604	901
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	4	4	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	27 974	19 528	6 368	2 078
CREDIT PROVISIONS				
Accrued provisions	7 981			
Reintegrated provisions	15 929			
Credit provisions, net	-7 948			
TRADING PORTFOLIO GAIN/LOSS	-547			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	19			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	7 807			
NON-INTEREST EXPENDITURE	21 383			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	21 818			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	5 143			
EXTRAORDINARY GAIN/LOSS	0			
TAX	4 044			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	22 917			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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 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 of the Varna Regional Court.
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	Philippe Vigué – Chairman Emmanuel Piot – Deputy Chairman Jean-Louis Mattei Andre-Marc Prudent Jean-Didier Georges François René
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

BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	1 496	0	1 496	672	630	194
Claims on financial institutions, net	10 792	1 547	9 245	704	8 230	311
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	25 366	0	25 366	0	21 471	3 895
Loans to non-financial institutions and other customers, net	586	0	586	462	44	80
Loans to budget	0	0	0	0	0	0
Commercial loans	320	0	320	320	0	0
Commercial real estate and construction loans	0	0	0	0	0	0
Other commercial loans	320	0	320	320	0	0
Agricultural loans	0	0	0	0	0	0
Consumer loans	266	0	266	142	44	80
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	586	0	586	462	44	80
Less: specific provisions	0	0	0	0	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	258	0	258	254	4	0
Intangible assets	241	0	241	241	0	0
Premises and other fixed assets	36	0	36	36	0	0
Assets, total	38 775	1 547	37 228	2 369	30 379	4 480
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	2 980	2 980	0	0	0	0
Demand deposits of banks	2 980	2 980	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	9 458	0	9 458	2 034	2 853	4 571
Demand deposits	4 983	0	4 983	1 865	1 635	1 483
Time deposits	4 475	0	4 475	169	1 218	3 088
Savings deposits	0	0	0	0	0	0
Deposits, total	12 438	2 980	9 458	2 034	2 853	4 571
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	93	0	93	66	25	2
Liabilities, total	12 531	2 980	9 551	2 100	2 878	4 573
Reserves and financial result, total	26 244	25 957	287	287		
Reserves	25 957	25 957	0	0		
Profit/loss, current year	287	0	287	287		
Liabilities, reserves, and financial result, total	38 775	28 937	9 838	2 387	2 878	4 573
Memo: credit substitutes and other off-balance sheet commitments	675	0	675	388	274	13



T. C. ZIRAAT BANK, SOFIA BRANCH

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Balance Sheets and Income Statements of Individual Commercial Banks

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	840	17	823	27	653	143
Interest income from claims on financial institutions	120	17	103	5	89	9
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	692	0	692	0	562	130
Interest income from loans	28	0	28	22	2	4
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	60	0	60	4	21	35
Interest expenditure on deposits of financial institutions	0	0	0	0	0	0
Interest expenditure on deposits of non-financial institutions and other customers	60	0	60	4	21	35
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	780	17	763	23	632	108
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	91	0	91			
NON-INTEREST EXPENDITURE	539	0	539			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA						
INCOME/EXPENDITURE AND TAX ITEMS	332	17	315			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	1	0	1			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	46	0	46			
PROFIT/LOSS, NET	287	17	270			



T. C. ZIRAAT BANK, SOFIA BRANCH

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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

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BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	2 117	762	1 224	131
Claims on financial institutions, net	8 862	16	778	8 068
Claims under repurchase agreements	0	0	0	0
Trading portfolio	202	202	0	0
Investment portfolio	45	45	0	0
Loans to non-financial institutions and other customers, net	20 919	9 598	10 957	364
Loans to budget	0	0	0	0
Commercial loans	17 469	9 004	7 605	860
Commercial real estate and construction loans	7 567	3 046	4 344	177
Other commercial loans	9 902	5 958	3 261	683
Agricultural loans	406	406	0	0
Consumer loans	1 259	306	944	9
Housing mortgage loans to individuals	696	0	672	24
Other loans	1 877	22	1 855	0
Loans to non-financial institutions and other customers, total	21 707	9 738	11 076	893
Less: specific provisions	788	140	119	529
Assets for resale	101	101	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	5 233	2 435	1 391	1 407
Intangible assets	73	73	0	0
Premises and other fixed assets	5 877	5 877	0	0
Assets, total	43 429	19 109	14 350	9 970
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	2 026	24	2 001	1
Demand deposits of banks	0	0	0	0
Time deposits of banks	1 956	0	1 956	0
Deposits of other financial institutions	70	24	45	1
Deposits of non-financial institutions and other customers	17 275	8 142	4 623	4 510
Demand deposits	5 069	3 325	830	914
Time deposits	10 003	4 012	2 736	3 255
Savings deposits	2 203	805	1 057	341
Deposits, total	19 301	8 166	6 624	4 511
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	5 387	1 400	3 987	0
Subordinated term debt and debt/equity (hybrid) instruments	1 394	0	768	626
Other liabilities	3 557	773	1 389	1 395
Liabilities, total	29 639	10 339	12 768	6 532
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	13 790	13 790		
Shareholder capital	10 000	10 000		
Reserves	4 074	4 074		
Profit/loss, current year	-284	-284		
Liabilities, minority interest, and capital, total	43 429	24 129	12 768	6 532
Memo: credit substitutes and other off-balance sheet commitments	2 194	1 476	333	385



TEXIM PRIVATE ENTREPRENEURIAL BANK

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	1 572	510	560	502
Interest income from claims on financial institutions	231	16	39	176
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	5	5	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	1 336	489	521	326
Dividend income	0	0	0	0
INTEREST EXPENDITURE	452	159	207	86
Interest expenditure on deposits of financial institutions	9	9	0	0
Interest expenditure on deposits of non-financial institutions and other customers	242	134	54	54
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	152	15	137	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	48	0	16	32
Interest expenditure on other liabilities	1	1	0	0
INTEREST AND DIVIDEND INCOME, NET	1 120	351	353	416
CREDIT PROVISIONS				
Accrued provisions	1 132			
Reintegrated provisions	858			
Credit provisions, net	274			
TRADING PORTFOLIO GAIN/LOSS	-6			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	1 051			
NON-INTEREST EXPENDITURE	1 646			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	245			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-398			
EXTRAORDINARY GAIN/LOSS	-131			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	-284			



TEXIM PRIVATE ENTREPRENEURIAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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, amended by Order No. RD22-0687 of 25 April 2006 of the BNB Governor
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 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	11 488	8 459	2 379	650
Claims on financial institutions, net	18 472	3 018	13 137	2 317
Claims under repurchase agreements	0	0	0	0
Trading portfolio	11 854	5 024	6 830	0
Investment portfolio	11 653	966	6 055	4 632
Loans to non-financial institutions and other customers, net	49 221	34 204	13 056	1 961
Loans to budget	0	0	0	0
Commercial loans	31 743	17 939	11 821	1 983
Commercial real estate and construction loans	9 961	6 303	3 146	512
Other commercial loans	21 782	11 636	8 675	1 471
Agricultural loans	6 192	6 192	0	0
Consumer loans	9 391	7 702	1 613	76
Housing mortgage loans to individuals	966	966	0	0
Other loans	2 776	2 776	0	0
Loans to non-financial institutions and other customers, total	51 068	35 575	13 434	2 059
Less: specific provisions	1 847	1 371	378	98
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	615	612	3	0
Intangible assets	263	263	0	0
Premises and other fixed assets	3 098	3 098	0	0
Assets, total	106 664	55 644	41 460	9 560
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	2 266	1 927	115	224
Demand deposits of banks	180	0	112	68
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	2 086	1 927	3	156
Deposits of non-financial institutions and other customers	66 396	32 504	23 594	10 298
Demand deposits	20 706	11 150	8 107	1 449
Time deposits	45 690	21 354	15 487	8 849
Savings deposits	0	0	0	0
Deposits, total	68 662	34 431	23 709	10 522
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	5 857	5 857	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	1 333	491	533	309
Liabilities, total	75 852	40 779	24 242	10 831
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	30 812	30 812		
Shareholder capital	45 000	45 000		
Reserves	-14 311	-14 311		
Profit/loss, current year	123	123		
Liabilities, minority interest, and capital, total	106 664	71 591	24 242	10 831
Memo: credit substitutes and other off-balance sheet commitments	4 127	2 955	1 111	61

INCOME STATEMENT

(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	3 566	2 063	1 281	222
Interest income from claims on financial institutions	118	14	70	34
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	487	47	330	110
Interest income from investment portfolio	0	0	0	0
Interest income from loans	2 526	1 567	881	78
Dividend income	435	435	0	0
INTEREST EXPENDITURE	996	472	324	200
Interest expenditure on deposits of financial institutions	9	8	0	1
Interest expenditure on deposits of non-financial institutions and other customers	929	406	324	199
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	58	58	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	2 570	1 591	957	22
CREDIT PROVISIONS				
Accrued provisions	848			
Reintegrated provisions	439			
Credit provisions, net	409			
TRADING PORTFOLIO GAIN/LOSS	-339			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	662			
NON-INTEREST EXPENDITURE	2 420			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	64			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	59			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	123			


TOKUDA BANK AD
STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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	3, Graf Ignatiev Str., Sofia 1000 tel. 02/981 21 05; 937 00 30
Management	
Supervisory Board	Satoru Nahagami – Chairman International Hospital Services Co., represented by Rumen Slaveikov Serbezov Tokushukai, Sofia, represented by Lyubomir Petrov Dachev and Valentin Krustev Stankov
Management Board	Stoyan Peikov Stoyanov – Chairman and Procurator Plamen Ivanov Petrov – Executive Director Svetlozar Georgiev Karaneshev – Executive Director
Shareholders (shares over 10%)	International Hospital Services Co. – 93.84%



BALANCE SHEET AS OF 30 JUNE 2006

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	582 931	94 530	472 303	16 098
Claims on financial institutions, net	327 011	110 547	33 800	182 664
Claims under repurchase agreements	11 257	5 548	4 586	1 123
Trading portfolio	158 542	60 370	39 956	58 216
Investment portfolio	1 209	1 080	129	0
Loans to non-financial institutions and other customers, net	2 249 612	1 314 875	912 605	22 132
Loans to budget	1 936	1 936	0	0
Commercial loans	1 097 120	243 577	832 180	21 363
Commercial real estate and construction loans	161 045	22 453	135 923	2 669
Other commercial loans	936 075	221 124	696 257	18 694
Agricultural loans	122 290	78 125	43 011	1 154
Consumer loans	651 674	649 734	1 908	32
Housing mortgage loans to individuals	447 592	405 259	42 170	163
Other loans	3 460	3 187	222	51
Loans to non-financial institutions and other customers, total	2 324 072	1 381 818	919 491	22 763
Less: specific provisions	74 460	66 943	6 886	631
Assets for resale	1 199	1 199	0	0
Investments in unconsolidated subsidiaries and associated companies	3 720	3 720	0	0
Other assets	11 386	11 368	2	16
Intangible assets	17 116	17 116	0	0
Premises and other fixed assets	60 869	60 869	0	0
Assets, total	3 424 852	1 681 222	1 463 381	280 249
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	287 779	222 486	42 624	22 669
Demand deposits of banks	24 478	5 033	8 033	11 412
Time deposits of banks	138 488	114 212	14 890	9 386
Deposits of other financial institutions	124 813	103 241	19 701	1 871
Deposits of non-financial institutions and other customers	2 276 967	1 180 054	763 378	333 535
Demand deposits	871 531	616 221	210 271	45 039
Time deposits	926 020	421 211	329 977	174 832
Savings deposits	479 416	142 622	223 130	113 664
Deposits, total	2 564 746	1 402 540	806 002	356 204
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	377 442	139 881	237 561	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	11 927	11 927	0	0
Liabilities, total	2 954 115	1 554 348	1 043 563	356 204
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	470 737	470 737		
Shareholder capital	75 964	75 964		
Reserves	343 778	343 778		
Profit/loss, current year	50 995	50 995		
Liabilities, minority interest, and capital, total	3 424 852	2 025 085	1 043 563	356 204
Memo: credit substitutes and other off-balance sheet commitments	314 547	74 879	119 147	120 521


**UNITED
BULGARIAN
BANK**

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INCOME STATEMENT
(June 2006)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	124 066	82 678	33 826	7 562
Interest income from claims on financial institutions	5 116	234	443	4 439
Interest income from claims under repurchase agreements	200	48	125	27
Interest income from trading portfolio	4 444	1 614	1 311	1 519
Interest income from investment portfolio	0	0	0	0
Interest income from loans	114 306	80 782	31 947	1 577
Dividend income	0	0	0	0
INTEREST EXPENDITURE	26 750	16 124	7 986	2 640
Interest expenditure on deposits of financial institutions	1 946	1 441	308	197
Interest expenditure on deposits of non-financial institutions and other customers	18 045	11 309	4 293	2 443
Interest expenditure on borrowings under repurchase agreements	32	14	18	0
Interest expenditure on borrowings	6 727	3 360	3 367	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	97 316	66 554	25 840	4 922
CREDIT PROVISIONS				
Accrued provisions	41 652			
Reintegrated provisions	21 540			
Credit provisions, net	20 112			
TRADING PORTFOLIO GAIN/LOSS	-4 355			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	33 680			
NON-INTEREST EXPENDITURE	56 873			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION,				
EXTRA INCOME/EXPENDITURE AND TAX ITEMS	49 656			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	5 612			
EXTRAORDINARY GAIN/LOSS	4 784			
TAX	9 057			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	50 995			



**UNITED
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Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 JUNE 2006

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. 02/9854 2800, 2117, 2136, 2232
Website: www.ubb.bg

Management

Board of Directors

Stilian Petkov Vatev – Chief Executive Director

Christos Alexandros Katsanis – Executive Director

Radka Ivanova Toncheva – Executive Director

Ioannis Pechlivanidis

Efstratios Georgios Arapoglou

Agis Ioannis Leopoulos

Alexandros Georgios Tourkolias

Anthimos Thomopoulos

Konstantinos Adamantios Othoneos

Shareholders (shares over 10%)

National Bank of Greece – 99.9%

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