

QUARTERLY  
BULLETIN

# Commercial Banks in Bulgaria

March 2004

125



YEARS

BULGARIAN  
NATIONAL  
BANK



March 2004

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125



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NATIONAL  
BANK**

YEARS

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# I. State of the Banking System

(January – March 2004)



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## 1. Introduction

This report includes analyses of trends in the banking system between January and June 2004. Monthly and quarterly supervisory reports and on-site inspection and special supervision findings form the basis of analysis. The risk profile of banking 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 (CAEL) are assigned quarterly. CAEL ratings indicate current fluctuations in the finances 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. This helps avoid 'contaminating' average values by the weights set for individual banks and presents a clearer and more complete picture of developments in each bank.

The classification of commercial banks into three groups was retained: Group I with the ten largest banks, Group II with 19 medium- and small-sized banks, and Group III with foreign bank branches. This focuses greater attention to processes in the groups which form the banking system, and pinpoints similarities and differences in institutions which have less influence within banking. The classification is only for analytical purposes and relates directly to the 'average values' or medians for any individual bank group introduced by the new Uniform Bank Performance Report (UBPR). The larger number of banks in each group allows for more precise computation of medians while offsetting acute fluctuations at individual banks. (Acute fluctuations are taken into account in analyzing the profiles of relevant banks, and their significance for the bank group or banking is not underestimated.)

## 2. The Banking System

### 2.1. Structure, Changes and Trends

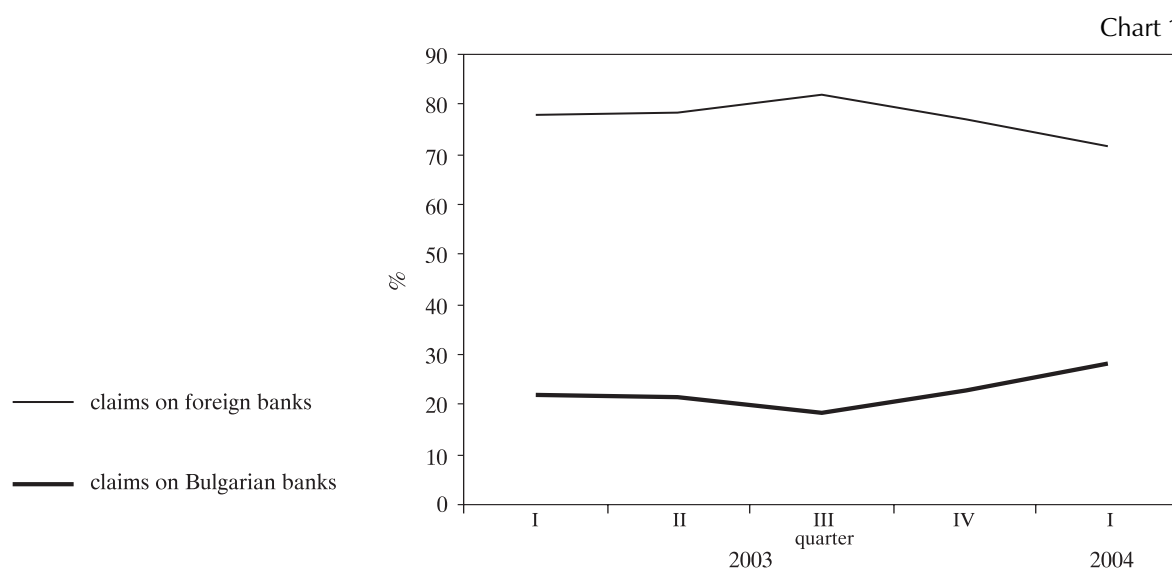
By the close of the first quarter of 2004 banking system total assets came to BGN 18,756,066,000: up 8.27 percent (BGN 1,432,423,000) on the last quarter of 2003. Assets posted an increase in 25 of the 29 banks and in five foreign banks' branches. The balance sheet assets of foreign banks' branches grew most substantially, by 17.21 percent, reflecting the sizable growth reported by one branch (65.79 percent, a banking record). Group II banks continued to maintain a high growth rate of 11.89 percent and Group I banks' growth rate was 6.59 percent. Three Group II banks and one foreign bank branch reported asset declines.

Changes in commercial bank balance sheet aggregates were as follows:

*Cash* went down by 11.78 percent to 7.66 percent of total banking system assets. With a few exceptions this affected all banks and foreign banks' branches during the first quarter of the year. The BGN 191,961,000 cash reduction did not affect banking liquidity seriously.

*Claims on financial institutions* rose by BGN 419 million or 16.28 percent, accounting for 15.94 percent of banks' assets. The growth was typical of most banks and foreign banks' branches. The latter reported the largest increase in claims on financial institutions (56.99 percent), followed by Group II banks (28.52 percent). Group I banks reported an increase of 8.32 percent. Compared with the previous quarter the trend reversed, reflecting primarily the conversion of cash into time deposits denominated in euro or other foreign currencies. The level reported under this balance sheet aggregate greatly helped banking liquidity. Between January and March 2004 the bulk of interbank deposits with foreign banks was converted into deposits with local banks. This reflects banks' attempts to boost yield amid lower eurozone interest rates, and the need for more funds to finance credit growth. Thus, by the close of 2003 deposits and claims on foreign banks came to 77.22 percent, while by the end

of March 2004 this fell to 71.64 percent. The share of claims on Bulgarian banks went up from 22.78 percent by the end of the preceding period to 28.36 percent by the close of March 2004. In absolute terms, claims on local banks grew to BGN 810 million. Regarding the potential to finance progressively growing credit, it should be noted that resources for such restructuring have been exhausted.



*Trading portfolio assets* continued to increase (by BGN 213 million or 15.51 percent) accounting for 8.47 percent of banking system assets. Five Group I banks, six Group II banks and one foreign bank branch reported a decline. The internal portfolio structure shows growing investment in bonds issued by governments not listed in Appendices 1 and 2 of BNB Regulation No. 8.

The established trend towards steady *investment portfolio* growth (by 3.65 percent) accompanied by a decline in the share of assets (from 9.89 percent to 9.47 percent) continued during the first quarter of 2004, with the faster growth of banking system assets adding to it. Three Group I banks and five Group II banks reported declines in government securities in their investment portfolios. During the first quarter of 2004 *credit to nonfinancial institutions* and other customers rose by BGN 866,628,000. The reported 9.24 percent growth is lower than reported in the previous quarter (13.08 percent). Taking into account impairment loss through allocated provisions, credit growth came up to 9.40 percent against 13.49 percent in the previous quarter. However, the share of credit grew at a faster rate than assets. The credit portfolios of all banks and branches, except six, grew. In absolute terms Group I banks' credit portfolios grew most (by BGN 533,449,000), followed by those of Group II banks (by BGN 239,341,000). The largest foreign banks' branches also intensified lending. Credit dynamics reflects the rise of the aggregate to 52.58 percent of total banking system assets. The share of credit at five banks and three bank branches exceeded 70 percent of assets, but there are no signs of worsening asset quality. The structure of credit matched the previous review period: commercial credit took the largest share (70.99 percent), followed by consumer loans (18.80 percent), loans to the budget, farming and other loans (5.67 percent) and mortgages (4.55 percent). Between January and March the volume of commercial loans grew by BGN 588,848,000 or 8.81 percent (67.95 percent of total growth), consumer loans by BGN 216,724,000 or 12.69 percent (25 percent of total volume), mortgages by BGN 57,453,000 or 14.07 percent (6.63 percent of total volume, while loans to the budget, farming and other loans grew by BGN 3,603,000 or 0.62 percent (0.42 percent of total volume).

The *Buildings and other fixed assets*, and *Other assets* items comprised a small share of total banking assets: 3.36 percent and less than a percent respectively. Compared with the previous quarter they grew by BGN 33,013,000 and BGN 19,120,000 respectively.

## 2.2. Liabilities and Equity Structure

Between January and March 2004 the upward trend in *total deposits*, a sound source for financing banks' active operations, was sustained. The reported amount of total deposits indicated an increase by BGN 968,623,000 or 7.13 percent, matching the previous two review periods. By bank group the increase split thus: 5.13 percent for Group I, 11.41 percent for Group II, and 18.27 percent for foreign banks' branches. *Financial institutions' deposits* grew by BGN 392,294,000 or 26.5 percent, reaching BGN 1,872,723,000, with Group I banks reporting the largest growth (38.59 percent). Group II banks' growth was 11.33 percent, and that of foreign banks' branches came to 25.5 percent. *Nonfinancial institutions' and other customers' deposits* went up by BGN 576,329,000 or 4.76 percent. Group I banks saw a growth by 3.05 percent, Group II banks by 11.43 percent, and Group III banks by 10.42 percent. As regards the forex structure, EUR-denominated deposits posted the largest growth (by BGN 371,379,000 or 13.34 percent). Deposits in other currencies (mostly US dollars) grew by BGN 121,598,000 or 3.77 percent, reflecting primarily US dollar rate movements: on 31 December the US dollar was BGN 1.548556, and by 31 March 2004 it was BGN 1.59999. Deposits denominated in national currency exhibited a slight increase of BGN 83,352,000 or 1.37 percent compared with December 2003. By type of instrument the structure of deposits changed: time deposits grew most (by BGN 455,461,000 or 8.04 percent), followed by savings deposits (by BGN 76,835,000 or 4.01 percent) and demand deposits (by BGN 53,033,000 or 1.12 percent). Six banks and three foreign bank branches reported a decline in deposits.

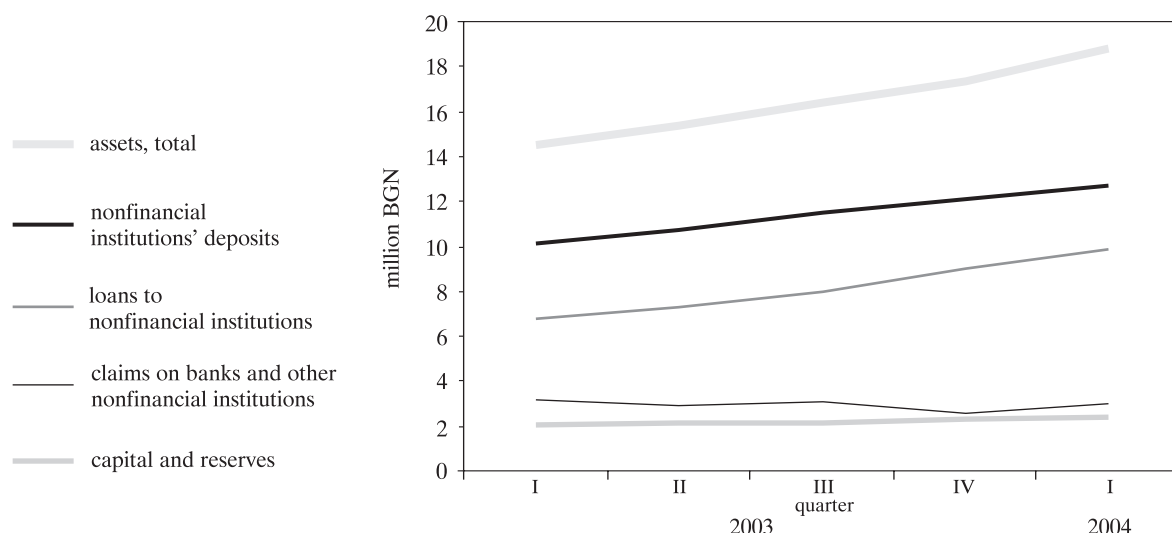
*Short-term borrowed funds* rose by BGN 108,195,000 or 74.93 percent, with the share of funds borrowed from banks increasing by BGN 93,170,000.

*Long-term borrowed funds* grew by BGN 75,247,000 or 11.4 percent despite their small share (4.73 percent) in total borrowed funds. The bulk of long-term borrowed funds were denominated in levs and euro and most of them were also invested in the same currencies. Consequently, they do not pose a significant currency risk for the system. Given the small share of these funds in financing sources, they do not affect the maturity structure of liabilities significantly: it remains dominated by short-term resources.

*The total volume of funds for financing (excluding equity) increased by BGN 1,152,065,000, with 75 percent of them converted into credit. This confirms forecasts that credit growth will be limited to the growth of funds, converted with 0.7–0.9 coefficient.*

The *Equity balance sheet* aggregate grew by BGN 134,521,000 or 5.9 percent, reflecting primarily the increase of total banking reserves from 2003 profits, the one-off effect of the change in the accounting regime, and the increase of paid-up shareholder capital at EIBANK, Corporate Commercial Bank and Raiffeisenbank.

Chart 2



### 2.3. The Dynamics of Major Balance Sheet Aggregates by Bank Group

The *ten banks with the largest assets* sustained their dominant market positions. These banks' assets accounted for 72.27 percent of total banking assets (down 1.13 percentage points on December), net claims on financial institutions came to 65.83 percent (down 4.84 percentage points), assets in trading portfolio came to 62.3 percent (up 4.99 percentage points) and investment portfolio came to 90.15 percent (down 2.38 percentage points). Deposits attracted from financial institutions comprised 44.7 percent of the banking total (up 4.39 percentage points), deposits attracted from nonfinancial institutions and other customers 77.88 percent (down 1.3 percentage points). Group I banks' short-term borrowed funds made up 64.9 percent of the banking total (up 0.94 percentage points) and long-term borrowed funds 41.66 percent (down 0.43 percentage points). The equity of Group I banks accounted for 76.22 percent (a 0.03 percent decline) of the banking system capital.

Between January and March 2004 the *19 Group II banks* retained their market share. Assets accounted for 21.93 percent of the banking system total against 21.24 percent in the previous quarter. Net claims on financial institutions came to 24.5 percent (up 2.33 percentage points), net loans 21.08 percent (up 0.67 percentage points), assets in trading and investment portfolio 35.37 percent and 8.49 percent respectively (down 4.85 percent for the former, and up 2.39 percent for the latter). Group II banks attracted 26.57 percent of total financial institutions' deposits (down 3.62 percentage points) and 18.62 percent of total nonfinancial institutions' and other customers' deposits (up 1.12 percentage points). Deposits attracted from companies and individuals rose faster than assets and loans. Short-term and long-term borrowed funds made up 35.09 percent and 54.94 percent of the banking system total, with short-term borrowed funds decreasing by 0.95 percentage points and long-term ones increasing by 0.98 percentage points.

The *six foreign bank branches* slightly increased their share from 5.36 percent in late December 2003 to 5.8 percent in late March 2004. Net loans went up from 6.51 percent to 6.71 percent (0.2 percentage points) and total deposits from 6.17 percent to 6.81 percent (0.64 percentage points). Funds borrowed from parent companies grew by BGN 5,152,000 to reach BGN 315,876,000. Claims on entities from the group totaled BGN 235,749,000 against BGN 143,036,000 at the end of the previous quarter.

### Market Concentration Index (HHI)

Despite the base balance sheet aggregates (loans, deposits and assets) showing levels below those typical of moderate concentration, the picture by individual component is different. The consumer loan index values of DSK Bank show high concentration, while mortgage and savings loans are characterized by moderate concentration. The First Investment Bank dominates the market in short-term borrowed funds, with index values indicating a high concentration. Besides the above item the market proved diversified and the index values show none or low concentration.

Chart 3

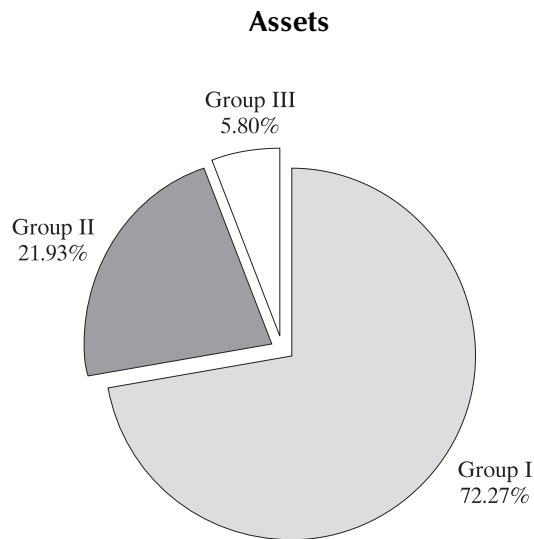


Chart 4

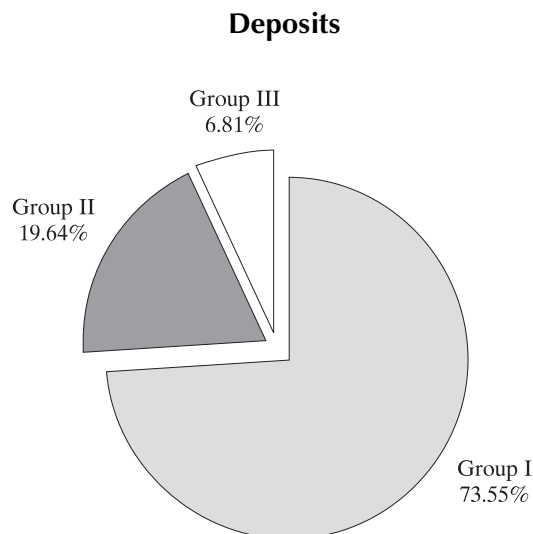
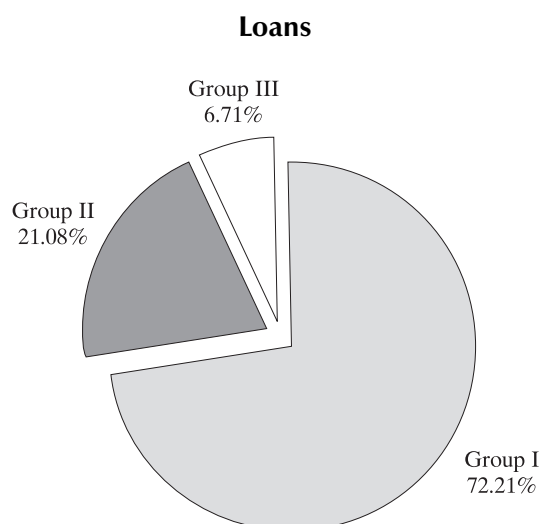


Chart 5



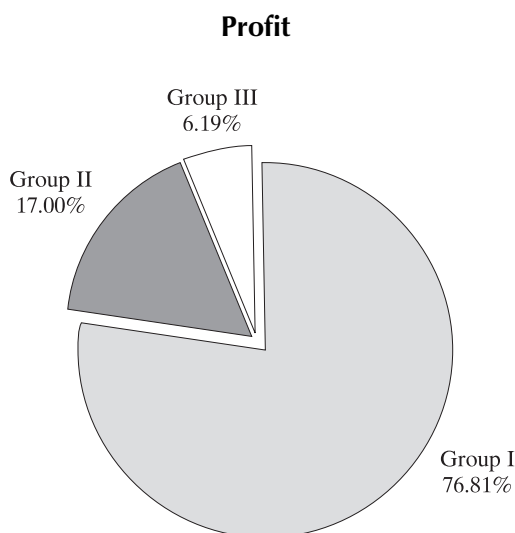
### Proprietorship Changes

Between January and March 2004 some formal changes took place to the proprietorship of individual banks whose shareholder structure had been less clear. Stake transfers and buyouts clarified the status of shareholder capital.

## 3. State and Trends of Operating Results

By the end of the first quarter of 2004 the banking system's financial result was BGN 114,157,000. In volume this was lower than that reported in the corresponding quarter of 2003 (BGN 125,420,000) but with a better quality of sources: the effects of net reintegrated provisions, extra operations and foreign currency revaluation are absent. The total profit of the *three largest banks* in terms of assets (Bulbank, DSK Bank, and the United Bulgarian Bank) amounted to BGN 55,332,000, accounting for 48.77 percent of banking profit. The profit of the *ten largest banks* comprised 76.81 percent of the total. All foreign bank branches were profitable. Credit growth and the increased share of interest assets in total assets prompted a net interest income growth of 35.32 percent (BGN 222,325,000) against BGN 164,294,000 net interest and dividend income by the end of March 2003. Similar processes occurred in income from financial intermediacy fees and commissions: the reported increase was BGN 13,643,000 or 22.85 percent. Compared with the first quarter of 2003 noninterest expenditure increased by 18.91 percent (BGN 30,095,000), indicating lower growth than that of major banking profit centres. If this trend endures, and the quality of assets retains its levels of early 2004, a significant financial result may be forecast, and ROA and ROE are expected to be comparable with previous years.

Chart 6



## 4. Banking System Risk Profile: Major Bank Risks

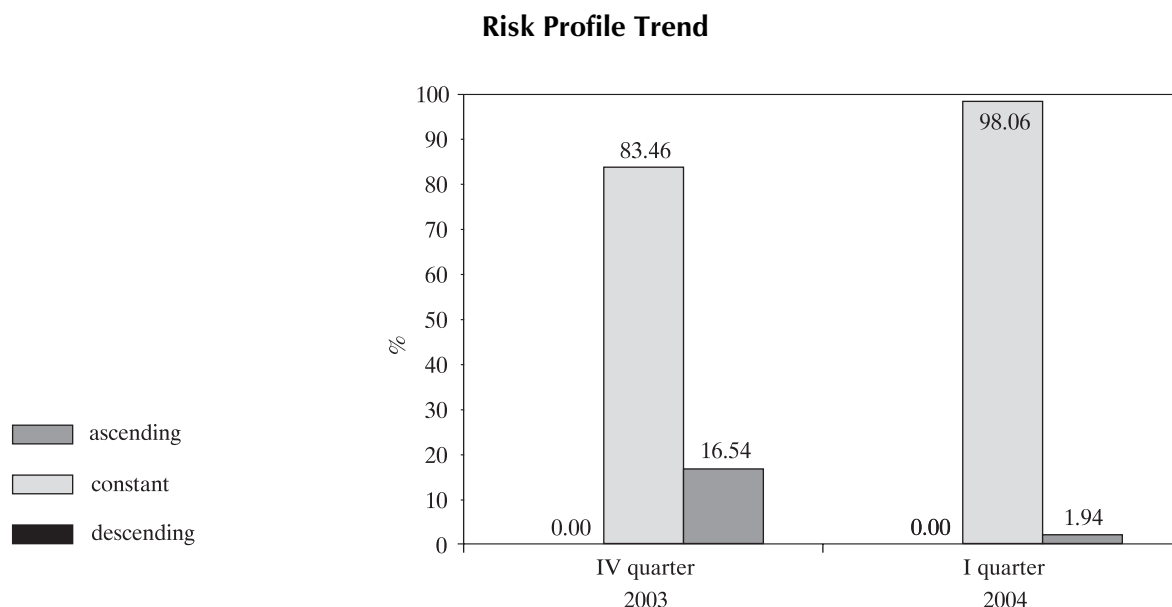
Despite insignificant changes to the base characteristics of major risks forming the profile of the system, the quarter under review saw some new developments:

- a lack of adequate and rational reactions by most banks to potential hazards in managing the sizable credit volumes associated with credit expansion
- managers of some banks are overoptimistic about the capacity of borrowers to invest borrowed funds appropriately
- it is possible that lending temptations enhance the 'risk appetites' of banks which are insufficiently organizationally experienced and informed to assume such risk
- the annual closing of accounts within the review period (simultaneous with several full supervisory inspections) highlighted the underestimation of timely and adequate assets impairment in particular cases
- some banks are tempted to invest into instruments floated by local corporate issuers and resting on biased and unclear market liquidity evaluations
- some senior managers appeared too self-confident in making decisions and managing relationships with large corporate customers which in some cases entail higher credit and reputation risks for their institutions
- last but not the least most banks tend to view market and environment opportunities through the prism of their business objectives rather than that of thorough and objective analysis of market developments.<sup>1</sup>

By the end of March 2004 ratings 1 and 2 continued to dominate within three-month ratings assigned to banks: 25 banks and foreign bank branches were assigned the highest CAEL grades.

<sup>1</sup> Attaining set objectives earns bonuses for managers, but could hardly be an argument in favor of a thorough study of environment opportunities.

Chart 7



*Credit risk* continued to dominate. Between January and March 2004 gross loans went up by 9.24 percent (7.87 percent in Group I, 13 percent in Group II, and 12.85 percent in Group III). On an annual basis loans grew by 47.62 percent, including loans in national currency by 44.74 percent, loans in euro by 71.29 percent, and loans in other currencies by 4.23 percent. Over the review quarter 27 of the 29 banks and two foreign banks' branches reported increases in loans, four banks reporting a decline.

Between January and March 2004 the *Credit substitutes and other off-balance sheet commitments* item increased by BGN 288,647,000 (11.34 percent). On an annual basis this item grew by 43.54 percent, indicating banks' wishes to diversify their credit services. Since off-balance sheet items also reflect credit expansion, developments in aggregates with the highest degree of credit risk deserve attention. Trade letters of credit grew 28.33 percent but their volume was just BGN 47,048,000. In practice, only two banks contributed to the reported growth. The *Other guarantees and credit substitutes* rose just 1.68 percent (BGN 9,095,000) to BGN 550,087,000 in March 2004. Unutilized commitments grew 10.65 percent (BGN 134,403,000) to BGN 1,339,563,000.

The increase in credit risk-bearing balance sheet and off-balance sheet items should be evaluated on the basis of the loans to assets ratio. This ratio is used to measure the degree of concentration of highest-risk assets and reflects the risk appetite and risk tolerance of individual banks. By the end of March 2004 the average value of the ratio accounted for 52.58 percent (against 52.04 percent by the end of December 2003), with 11 of all 29 banks reporting values of over 60 percent (five Group I banks and six Group II banks). The corporate segment dynamics measured through the group of borrowers with single exposures of over BGN 1 million posted an increase of 8.44 percent (BGN 441 million) with total credit amounting to BGN 5,662,695,000. Compared with the previous period growth rates both in terms of share and volume indicated a decrease. The analyzed period is very short and no conclusions could be drawn as to banks' reorientation to other customer types, to lower single volumes, and to reaching the limits of this type of credit. The quality of loans in this segment remained good: standard loans accounted for 92.03 percent and loans classified as doubtful and loss 2.53 percent (against 91.69 percent for standard loans and 2.83 percent for doubtful loans and loss by the end of 2003). Over the review period banking loan distribution (based on Credit Register data) did not experience dramatic changes:



	12.03	03.04
• Trade, repair and technical services (%)	29.2	28.9
• Reprocessing (%)	18.7	18.5
• Other services (%)	18.4	17.6
• Electricity, heating, gas, and water (%)	3.6	3.4
• Financial intermediacy (%)	4.9	4.1
• Hospitality (%)	3.3	4.0
• Construction (%)	2.9	3.3
• Transport, storage and communications (%)	2.6	2.6
• Extracting industry (%)	1.8	1.9

At individual bank level, analysis indicates similar developments but several banks' credit exposures to one sector exceeded 50 percent of their total credit. It may be felt that sector diversification reduces the risk of overconcentration in an individual sector. At the same time, credit growth and its dominance in total assets increases capital threat even at low levels of credit migration to higher risk groups. The hypotheses of the *stress test related to credit risk* show that even at the least 'worsening' of credit quality, capital adequacy dropped below the regulatorily admissible 12 percent level in 17 of the 29 banks. Data shows that each deviation in quality in case of significant volumes would put lenders in pressing need of capital support: an argument supporting the BNB's credit 'cooling' measures.

*Market risk* remained relatively unchanged. Foreign exchange risk retained its indicators during the review period. The banking's total net foreign exchange position stayed 'short' (-6.44 percent of the capital base) and a prevalence of forex liabilities over forex assets in the reporting period resulted in a change in the open position in absolute terms by BGN 42 million: from BGN -105,499,000 at the end of December 2003 to BGN -147,192,000 at the end of March. The banking system stayed 'short' in US dollars and 'long' in euro. In the review period US dollar assets and liabilities grew to BGN 2259 million and BGN 2433 million respectively. The euro position also grew with assets reaching EUR 3153 million and liabilities EUR 2522 million. Other currencies did not indicate significant fluctuations. *In essence, sensitivity to forex risk was low: a conclusion confirmed by stress test modeling.* Given the model's assumptions, the capital adequacy of only three banks would fall below 12 percent, none of them reporting negative values.

*Price risk* characteristics did not undergo dramatic change. Commercial banks did not invest in securities sensitive to significant market fluctuations, striving to support portfolios with high market liquidity and low risk. Several banks made efforts to diversify portfolios by investing in the corporate segment, maintaining adequate total portfolio liquidity. In the review period the prices of securities held by banks did not change significantly. As a result, price risk stayed low.

*Interest rate risk* in the banking system gradually 'melted' the cumulative GAP position values; the downtrend of previous periods continued: from 5.31 percent in September 2003 to 5.05 percent at the end of December and 3.95 percent at the end of March 2004. The factor behind this decrease was an insignificant change in the share of interest rate sensitive assets and liabilities. The share of loans sensitive to interest rate changes in the credit total fell by 0.57 percentage points as a result of the trend to fixed interest loans. The share of deposits sensitive to interest rate changes in the shortest horizon decreased from 95.09 percent at the end of 2003 to 82.86 percent at the end of March 2004. GAP values in the short horizon also changed, growing by 1.15 percentage points to -18.11 percent against -16.96 percent at the end of December 2003. Previous periods' conclusions that the faster increase in interest rate sensitive liabilities coupled with a rise in the fixed interest assets potentially encumbers

bank liquidity was confirmed. The interest rate margin will not be hit by changes; however, dramatic narrowing would put pressure on certain segments of the banking system. The system's GAP-position in euro and US dollars continued to follow the general structure of the foreign currency position: a positive GAP in euro and a negative one in US dollars. Stress test hypotheses applied to interest rate risk indicated low sensitivity at most banks (capital adequacy would fall below the regulatory minimum at only three of them as a result of the 'shock'). The major factor behind this was the high net interest rate margin allowing accumulation of decreased income reflecting the 'shock.' Banks with low total indebtedness (high leverage values) showed improvements in this indicator.

The banking system and individual banks were not exposed to liquidity risk. Despite the sustained growth of lending and of credit in banks' assets, managements maintained adequate levels of overall and immediate liquidity.

## 5. Asset Quality 'A'

- Adequate quality was preserved in the period under review
- Classified assets grew by 5.09 percent (about BGN 35 million) against an 8.27 percent growth of assets for the reporting period

Within the first quarter of 2004 no change in the fundamentals of asset quality was reported. Lending (in percentage terms) was comparable with the corresponding period of 2003 (9.54 percent and 9.4 percent for the first quarters of 2003 and 2004 respectively) but growth reflected different volumes (BGN 576,143,000 in the first quarter of 2003 and BGN 847,616,000 in the current year).<sup>2</sup> Investment in deposits and securities was mainly in high rating counterparts and in low risk and high market liquidity instruments. Banks and markets showed no dramatic changes which might hit asset quality. Nevertheless, in some cases asset quality ratings were reduced after comprehensive supervisory inspections.

### 5.1. Increased Credit Risk Zone

Credit risk increases with one or more of the following factors: asset risk acuteness above the banking average; serious weaknesses in lending process management come to light during supervision inspections; significant lending to related interests. As a rule, most banks with a component rating of 3, as well as all banks with a rating of 4 face increased risk. Though risk acuteness, the potential negative effect on banking, and the internal resources for resolving the problems of the above banks differed, the fact that they formed a separate group indicates supervisory concern. Measures taken include a risk minimization package and restriction of similar behavior patterns in other banks.

The conclusion on adequate asset quality retention in banking was confirmed by leading analysis indicators on problem assets, classified assets, indicators measuring classification reliability, and indicators analyzing bank policy and the state of banks' provisions.

The values of the *problem asset* indicator for the predominant number of banks and foreign banks' branches were low and in line with those of the previous period: indicator average values by the end of March were 1.32 percent against a median<sup>3</sup> of 1.01 percent for the banking system. Median values for the first, second and third group were 1.39 percent, 1.2 percent, and 0.02 percent respectively. In absolute terms, total problem assets in the banking system increased by BGN 14,285,000 to BGN 253,258,000.

The *classified assets* indicator dynamics was similar. In the reporting period the increase totaled BGN 35,084,000 for the banking system as a whole. However, in percentage terms, a decrease was reported in

<sup>2</sup> Growth indicators relate to net credits (upon reporting the effect of provisions allocated to cover impairment loss).

<sup>3</sup> A sample median is one dividing the variational sequence into two equal parts (where the volume is divisible by two, the average of the two central samples is taken).

both average values (from 3.90 percent at the end of 2003 to 3.78 percent at the end of March 2004) and median values (from 3.14 percent to 3 percent). The change in net classified assets presented on a quarterly basis was three times bigger than the change in the October to December 2003 period when it amounted to BGN 11 million. This higher growth rate was canceled by the higher three-month growth rate of banking system assets (5.09 percent and 8.27 percent respectively). No sustainable trend toward accelerating the process of bank asset contamination occurred since annual closing of accounts, and more intensive and thorough on-site supervision inspections resulted in greater impairment compared with December 2003.<sup>4</sup> It should be noted that increasing the volume of credits while preserving the share of completely or partially impaired assets will prompt growth in classified exposure volumes. Sufficient revenue from bank operations to ensure the required provisions as well as a stable capital position is of great importance under these circumstances. The values of the *classified credits* indicator follow analogous trends. This reflects the dominance of credit in balance-sheet aggregates and the very high quality of the remaining assets. In percentage terms, by the end of March 2004 a decrease in average indicator values for the banking system, and in median values was reported: from 7.28 percent to 7.01 percent (average) and from 7.12 percent to 7.09 percent (median). At the same time, classified asset growth in absolute terms for the quarter exceeded more than four-fold the net quarterly growth of the preceding period: BGN 35 million and BGN 8 million respectively. The increase does prove yet that banks have changed their lending decision and impairment standard behavior. However, it signals that credit growth pits institutions up against the challenges of precise credit risk management. Values reported by 17 of the 35 banks and branches exceeded average system values. Conclusions on classification reliability are similar. Lending growth reflects a purely technical aspect of improved classification owing to lagging impairment. In percentage terms, the share of credit in the Doubtful and Loss groups fell from 3.15 percent at the end of December 2003 to 2.94 percent. In absolute terms the total of the two categories grew from BGN 295 million to BGN 302 million. The Doubtful group reported the highest internal migration: a decrease from BGN 64 million to BGN 47 million, posting a loss growth from BGN 231 million to BGN 254 million.<sup>5</sup> The credit growth caused a growth in regular exposures from 92.72 percent to 92.99 percent. Watch exposures posted the highest increase of 3.22 percent and their 0.15 percentage point growth on December 2003 reflects an absolute change of some BGN 42 million and a level of about BGN 288 million. In essence, it serves as an early warning of potential problems concerning banking credit risk management which does not lead to firm conclusions.

Credit classification by bank group is as follows:

	December 2003	March 2004
<b>Group I</b>		
Total	BGN 6,851,216,000	BGN 7,390,610,000
Standard	93.58%	93.98%
Loss	2.53%	2.47%
<b>Group II</b>		
Total	BGN 1,930,335,000	BGN 2,181,243,000
Standard	88.42%	89.09%
Loss	3%	3.19%
<b>Group III</b>		
Total	BGN 593,976,000	BGN 670,302,000
Standard	96.74%	94.79%
Loss	0.09%	0.19%

<sup>4</sup> First quarter 2004 data reflects the effect of the annual closing of 2003 accounts.

<sup>5</sup> The migration is an argument in favor of the Amendments to the BNB's Regulation No. 9 adopted by the BNB's Governing Council.

## 5.2. Provision Analysis

Banks' provisioning policy can be seen as a measure of risk appetite. Measured by the relevant indicators, the state of the banking system lacks any significant changes on the previous quarter.

The process of reducing the *degree of gross asset provisioning* continued. During the review period the reported decrease was by 0.05 percentage points to 2 percent. During the quarter provisions allocated to cover impairment loss rose by some BGN 19 million reaching BGN 382 million. The growth resulted from the increase in classified assets; in practice for most banks the indicator's values were identical with those of the preceding period.

The *degree of provisioning of claims on financial institutions* stayed low (0.08 percent) and no provisions were allocated by 19 banks and all branches. This was because the high quality of placements (dominated by deposits and settlement accounts in international prime-rate banks) gave no grounds for impairment.

The average *degree of provisioning of claims on nonfinancial institutions* decreased from 3.85 percent at the end of December 2003 to 3.71 percent at the end of March 2004. Twenty-three of the 29 banks reported a decrease in the indicator. Given the impairment and classification of assets, it is of note that the degree of classified exposure provisioning increased from 42.67 percent to 43.75 percent. The trend has continued for the last nine months and indicates growing prudence in risk evaluation and enforcement by banking supervisors of stricter regulations on claim impairment.

Analysis of *portfolio basis provisioning* shows up symptoms of underestimating risk in loans with similar characteristics and an unwillingness to allocate provisions as a precaution against future risks. Only 17 banks have provided for this, six of them from the top ten. In several cases banks that had allocated provisions previously reintegrated the accumulated amounts on the grounds that they lacked a sufficient statistical order. Arguments by some of these banks aimed to conceal intentions to attain end-of-year financial objectives by restructuring allocated provisions.

The *coverage indicator*<sup>6</sup> grew from 122 percent at the end of December to 126 percent at the end of March and its values were adequate to portfolio risk acuteness.

## 6. Yield 'E'

- The beginning of 2004 indicated rising banking revenue
- Net interest income was a reliable source of adequate return on assets and capital

Banks' yield maintained its indicators of previous periods: net interest income played a key role in operating expenses and final financial results. Fees and commissions followed the growth of credit and deposits and were a steady and substantial source of regular net cash inflows. Forex transactions were insignificant. Supplementary revenue was noted in only a few banks. Coupled with adequate asset quality (a main factor behind the low level of net credit provisions compared with average assets) an adequate yield level and restricted zones of higher risk were formed.

Banks with component ratings of 4 stayed in the *high-problem income and substantial yield fluctuations zone*. They had volatile revenue from bank operations resulting in negative or low and dramatically switching net core business income, depended on extraordinary operations, foreign currency revaluation or tinkering with provisions, lacked income to secure operating expenses, and lacked internal sources for adequate capital support. In the first quarter of 2004 (as throughout 2003) these banks did not indicate financial and institutional conditions for a behavior change. These conditions, however, do not define a trend or typify the state of banking's yield indicators.

<sup>6</sup> It establishes the proportion of all accumulated provisions in all classification groups to the credit amount in the Doubtful and Loss groups.

The trends of leading banking indicators were:

Ratio as a percentage of average assets	March 2003	March 2004
Net result (after-tax ROA since year start), %	3.42	2.52
Core ROA (net income from banking since year start), %	3.41	3.37
Net interest income, %	4.37	4.81
Noninterest expenditure, %	4.36	4.18
Extra operating profit/loss, %	0.00	0.12
Efficiency ratio, %	63.26	58.52

Measured by the *return on assets (ROA)* universal indicator, banking profitability declined by 0.9 percentage points on the corresponding period of 2003. However, it should be noted that the first quarter of 2003 was not clear of the effect of reintegrated provisions following IAS introduction.<sup>7</sup> Given this effect and the net increase in provisions, values of this indicator by the end of the first 2004 quarter were comparable to the same period of 2003. Similar conclusions may be drawn on *core ROA* describing the weight of qualitative determinants on revenue from core operations. By the end of the first quarter of 2004 core ROA was 3.37 percent against 3.41 percent at the end of March 2003 indicating good and stable revenue from core operations and controlled expenditure and profits. Negative values of this indicator show problems in ensuring banks' operational efficiency and inability to cover operating expenditure by core placements in banks' balance-sheet assets. Similar conclusions are valid for the cases when these values are low or too close to noninterest expenditure as a percent of average assets. As of March 2004 negative values were reported in three banks.

Net interest income continued growing as a result of credit growth: from 4.37 percent in March 2003 to 4.81 percent a year later. This trend registered in the previous five quarters reflected the combined effect of increased interest-bearing potential of the banking system, the high share of loans in assets, the high quality of loans and investment in interest-bearing instruments, the high interest rate spread at a low and stable price of interest assets financing. For instance, the share of *interest-bearing assets* in average gross assets rose from 86.38 percent in December 2003 to 87.96 percent by the end of March 2004. *Net interest rate margin* rose similarly: from 5.08 percent by the end of March 2003 to 5.47 percent by the end of the review period. A factor underpinning the net interest rate margin is the *lack of excess of interest liabilities*. They rose by 2.33 percentage points: from 91.37 percent by the end of March 2003 to 93.7 percent by the end of March 2004. The *price of interest-bearing asset financing* remained low, increasing gradually on previous periods (1.83 percent, 1.85 percent, 1.87 percent, 1.89 percent and 1.91 percent by quarter for the March 2003 to March 2004 period). Recent trends toward offering attractive deposits with higher than market interest rates by individual banks did not lead to increased price of financing in these banks.<sup>8</sup>

Aforementioned processes determined improvement of *return on interest-bearing assets*: an increase from 6.91 percent by the end of March 2003 to 7.38 percent by the end of the review period. Its values are lower in banks with higher classification of loans, as well as in most foreign bank branches (which provide financing to corporate customers at rate levels close to interest rate levels in the EU countries and the USA). Data does not show decreased interest rate levels in the bulk of actively crediting commercial banks.

Compared with the reference period (March 2003) *noninterest revenue picked up* from 1.76 percent to 2.07 percent. Four banks and one branch reported decreases. This may not be interpreted as a result of changed

<sup>7</sup> The 2003 annual balance sheet of commercial banks includes BGN 32,117,000 in the equity item 'one-off effect of the change in accounting regime'. Throughout 2003 this amount was reported in the income statement as reintegrated provisions, thus increasing financial results of the system and of individual banks. For instance, recalculation of ROA resulted in its decline to 2.55 percent.

<sup>8</sup> Nevertheless they are analyzed with a view to potential liquidity problems and/or attempts to increase liability maturities and neutralize asset imbalance.

noninterest price levels in providing services by these banks. The nature of these revenues (mainly charges on loans, deposits, intermediacy services and commissions) follows the logic of business expansion typical of most financial institutions. Moreover, financial institutions will rely on these sources of income with expanding financial intermediacy.

Between January and March 2004 sixteen banks and two branches registered *net losses from forex revaluations*. The cumulative financial effect of this item in the banking system income was BGN 6 million. *Extra profit* totaled BGN 5,298,000 ensuring on its base a return on average assets of 0.12 percent. Registered values of *extra profit and foreign exchange revaluation effect* confirm the fact that these indicators are insignificant in banks' financial results (more significant values are possible in future).

*Efficiency ratio*<sup>9</sup> indicated a downward trend compared with March 2003: from 63.26 percent to 58.52 percent. Three banks and one branch reported values exceeding 100 percent.

Based on attained financial results, return on equity (ROE) reached 22.07 percent.

By the end of March 2004 the number of full-time employed in the banking system was 21,828 (an increase of 394); bank assets grew by BGN 51,000 to BGN 859,000 *per employee*.

## 7. Capital 'C'

- First quarter data confirms the gradual downward trend in total capital indicators
- Banking system capital position is strong and adequate to banks' asset risk. Faster capital base growth in the last 12 months had a favorable effect on capital position: 30.52 percent against an assets rate of 25.24 percent
- Individual banks reported total capital adequacy close to the critical 12 percent

Between January and March 2004 the downward capital regulator trend was sustained. Most banks had own funds adequate to their risk profile. The level of capital risk remained higher in small- and medium-sized banks in which capital surplus, capable of absorbing added capital risk, declined. In some banks critically low values of capital indicators gave rise to supervisory concerns and required adequate measures to reduce risk.

Despite good banking capitalization over the review period, several banks did not ensure adequate asset coverage. These institutions form an *increased capital risk zone* and exhibit one or more of the following: conditions for capital erosion stemming from permanently poor financial results despite high capital regulators; inefficient operations; inadequate asset quality and unstable income; operational opacity hindering management ability to provide adequate capital support.

### 7.1. Capital Adequacy Ratio and Trends

Capital base growth rate over the last 12 months (30.52 percent) exceeded asset growth rate (25.24 percent) and was comparable to the growth of borrowed funds (32.91 percent). Banking system own funds have been increasing mostly at the expense of additional capital reserves (from the positive financial result and reserves from asset revaluation), rather than from permanent sources such as shareholder capital. The main blows at capital ratios during the review period continued to come from expanded lending at the expense of placements in banks and investing in securities. The gradual downward trend in the capital adequacy indicator (from 22.03 percent in December 2003 to 21.28 percent in March 2004) reflected the restructuring of low-risk assets into high-risk ones (assets with 50 percent and 100 percent risk weights). Low-risk assets increased by 37.58 percent (BGN 295 million) and high-risk assets by 8.48 percent (BGN 732 million). Capital adequacy ratio in some banks improved despite expanded lending. Other banks registered capital indicators close to regulatory minima. Their capital of-

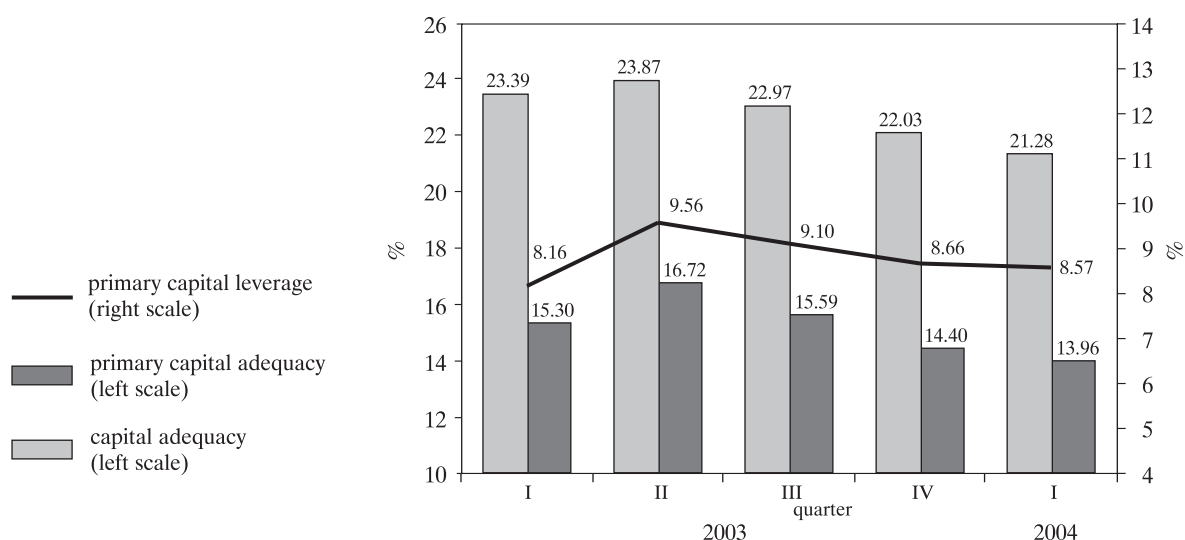
<sup>9</sup> A measure of the share of noninterest expenditure in revenues from core operations.

ferred good or satisfactory asset risk cover and the ability to cover impairment loss. The growth of lending in the last 12 months (47.62 percent compared to 25.24 percent of asset growth rate) is apparent in the increased degree of asset risk: from 52.37 percent in March 2003 to 60.3 percent a year later.

*Primary capital adequacy and degree of asset coverage* confirmed expectations of a gradual increase in capital risk. *Primary capital adequacy* declined in 21 of 29 commercial banks in line with the *degree of asset coverage*: 20 banks reported lower values than in the prior period.

Chart 8

### Capital Ratios Dynamics

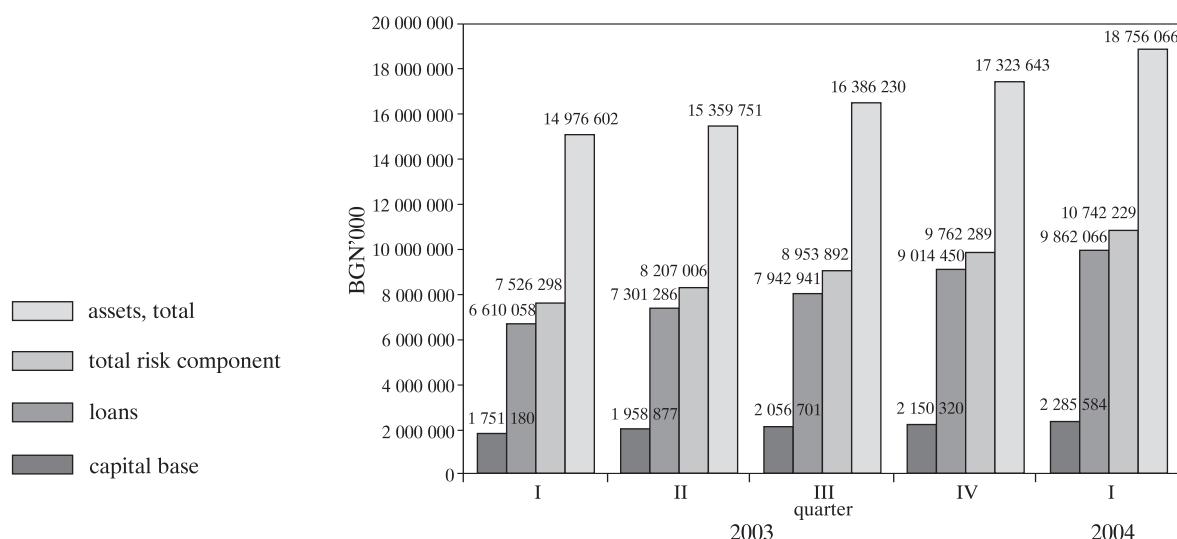


Over a short-term horizon, credit growth may slow due to resource exhaustion and legislative changes. Amendments to BNB Regulation No. 8 on the capital adequacy of banks exclude unaudited current profit from the capital base, and may result in changes in the values of individual exposures under BNB Regulation No. 7 on the large exposures of banks. It is expected that banks will maintain or slightly decrease capital indicators. Capital will remain matched to most institutions' risk profiles.

As a result of the relatively high weights of some banks, a decrease was reported in *average net classified assets as a percentage of the capital base*, but when using the system median the indicator tended to increase. The system median was 16.25 percent (against 13.97 percent in December 2003): 17.1 percent for Group I banks and 14.48 percent for Group II banks.

Chart 9

### Dynamics of the Major Factors Determining the Level of Capital Indicators



## 7.2. Capital in Excess of Capital Base Regulations

An increased *surplus of risk-weighted capital*<sup>10</sup> boosted system capital position. It came to nearly BGN 944 million, an increase of BGN 29 million on the end of December 2003. The entire growth on the previous quarter reflected good financial performance at Group I banks (an increase of nearly BGN 31 million) while in Group II banks this indicator continued falling.

Given the existing capital base, this surplus may cover significant growth in the total risk component of assets. However, this assumption may not apply to all banks. More than half the surplus was at the three largest banks (Bulbank, DSK Bank and UBB). Thus, any further risk assumption by the system and individual banks has to be approached most prudently.

## 7.3. Capital Base and Capital Leverage

The capital base grew by 6.29 percent on the end of 2003 reaching BGN 2,285,584,000. Growth rates exceeded those of the prior quarter, ascribable both to the effects of financial results, and to increased shareholder capital at several banks. Over the review period *primary capital leverage* followed overall trends in capital indicators: the system median was 8.78 percent against 9.5 percent in December 2003. These values indicated potential for asset growth supported by own funds.

The regulator of 50 percent share of *investment in fixed assets* measures what portion of the capital is invested in low yield and problem liquidity assets. Most banks reported lower values for this indicator than in the prior quarter but particular banks still registered high values close to regulatory requirements.

<sup>10</sup> Calculated on the basis of 12 percent total capital adequacy and taking into account the restrictive requirements of a minimum of BGN 10 million capital base and 6 percent degree of asset coverage.



## 8. Liquidity 'L'

- System liquidity was stable and guaranteed good coverage of borrowed funds by tradable assets
- The upward trend in *loans to deposits* ratio continued, its values reaching 70.33 percent

Between January and March 2004 commercial banks experienced no liquidity pressure and major liquidity indicators remained relatively stable. Despite enhanced lending, banking system high-liquid assets rose. Individual banks demonstrated good levels of liquidity, confirming that adequate liquidity risk management was applied.

As a result of tradable asset growth in absolute terms (9 percent on average for the system), their share in gross balance-sheet assets and borrowed funds remained stable on the previous quarter. The share of tradable assets in gross assets stayed at the reasonable level of 27.56 percent (an increase of 0.1 percentage points) ensuring the ability to transform financial instruments promptly into cash. Values by individual bank varied but in most banks were adequate to the balance sheet risk.

### 8.1. The Increased Liquidity Risk Zone

Banks with a component rating of 3 and complex CAEL ratings of 4 and 3 were included in this zone over the review quarter. They had more limited access to financial resources, and under more unfavorable conditions compared with the rest, relying mostly on own sources of financing and funds in case of need.

### 8.2. Major Liquidity Indicators: Level and Trends

Most banks reported increased tradable assets at the close of the first quarter. The median of *tradable assets as a share of gross assets* was 27.42 percent for the system (26.62 percent in December 2003). However, the medians of bank groups decreased on December 2003. The indicator was 24.8 percent in Group I banks (down by 1.19 percentage points), and 28.12 percent in Group II banks (down 3.76 percentage points). No change occurred in foreign bank branches (20.68 percent). Analogous trends evolved in the *tradable assets to overall borrowed funds* ratio: system median was 33.64 percent rising by 0.93 percentage points. Again Group I and Group II banks reported lower median values compared with the previous quarter. The median was 31.86 percent in Group I banks (32.5 percent in December) and 39.4 percent in Group II banks (41.82 percent in December 2003). The median of this ratio in foreign bank branches improved further by 3.15 percentage points to 24.78 percent.

The upward trend in the *loans to deposits* ratio continued to reach an average value for the system of 70.33 percent against 68.97 percent in December 2003. Seventeen of 29 banks reported higher growth in loans than in deposits compared with the prior quarter. The continuing increase of this ratio in most banks did not cause supervisory concerns due to good credit quality and deposit growth. Twenty-three banks reported ratios over 50 percent, with nine registering values over 100 percent. Though significantly higher than the average for the system, they did not threaten bank liquidity since these banks had stable financing provided by their major shareholders or significant long-term borrowed funds.

*Pledged securities*' share remained almost unchanged: 38.31 percent of overall trading and investment portfolios by the end of March 2004. Compared with December 2003, this ratio picked up steadily in Group II banks and stayed almost unchanged in Group I banks.

Nine banks reported *deposit concentrations* ranging between 10 and 60 percent.

Banks' dependence on *noncore borrowed funds* rose significantly. In a one-year horizon, they indicated a 86 percent growth (31 percent during the review quarter). Noncore borrowed funds as a share in gross assets averaged 11.1 percent for the system against 9.19 percent in December 2003. Group I banks dominating on the deposit market remained slightly dependent on noncore borrowed resources: the group median was 3.84 percent. Some Group II banks relied increasingly on these resources for expanding their business: the group median reached 8.87 percent, an increase of 0.89 percentage points.

*Long-term financing* rose to BGN 735 million, its share in gross assets remaining low at 3.92 percent.

*Weighted off-balance-sheet commitments* accounted for 11.2 percent of tradable assets on average. Group I banks reported the lowest probability of cash flows flight: the group median was 10.69 percent. Medians of Group II banks and foreign bank branches were 14.07 percent and 25.68 percent respectively.

As of March 2004 *primary and secondary liquidity* accounted for 9.87 percent and 24.64 percent (11.98 percent and 25.48 percent in December 2003). Slight fluctuations in these ratios compared with the prior period caused no concerns. The main reasons behind registered declines in primary liquidity were decreased cash resources and increased borrowed funds, typical of each year's first quarter. Secondary liquidity was backed by increased investment in securities and placements in banks which caused less fluctuations in its values compared with primary liquidity. Primary liquidity indicators declined in all three groups with average values ranging significantly by group.

The *Maturity structure* of cash flows by time horizon (under Regulation No. 11) was sustained: inflows exceeded outflows in the system in general and by individual bank group.

## Appendix 1

Chart 10

### Total Amount of Loans by Quarter

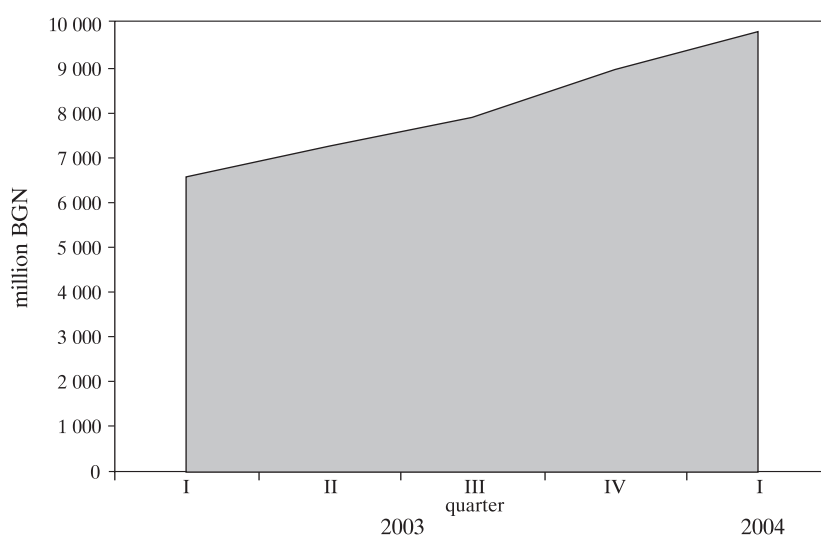


Chart 11

### Loan Structure as of March 2004

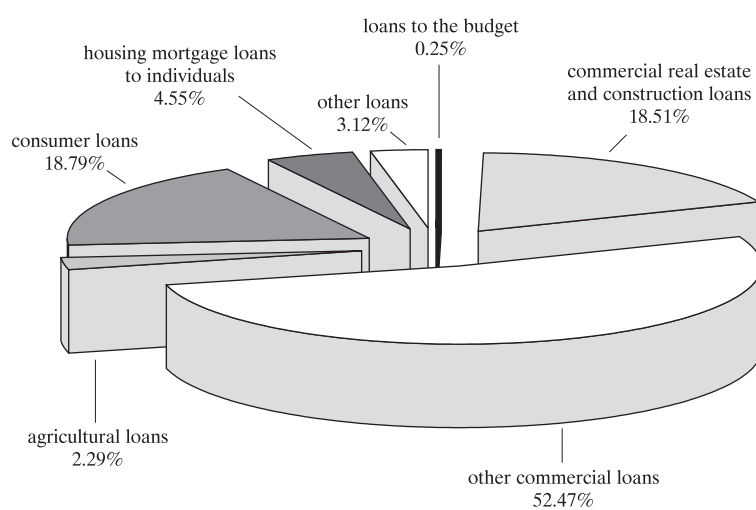


Chart 12

### Structure of Claims on Financial and Nonfinancial Institutions by Quarter

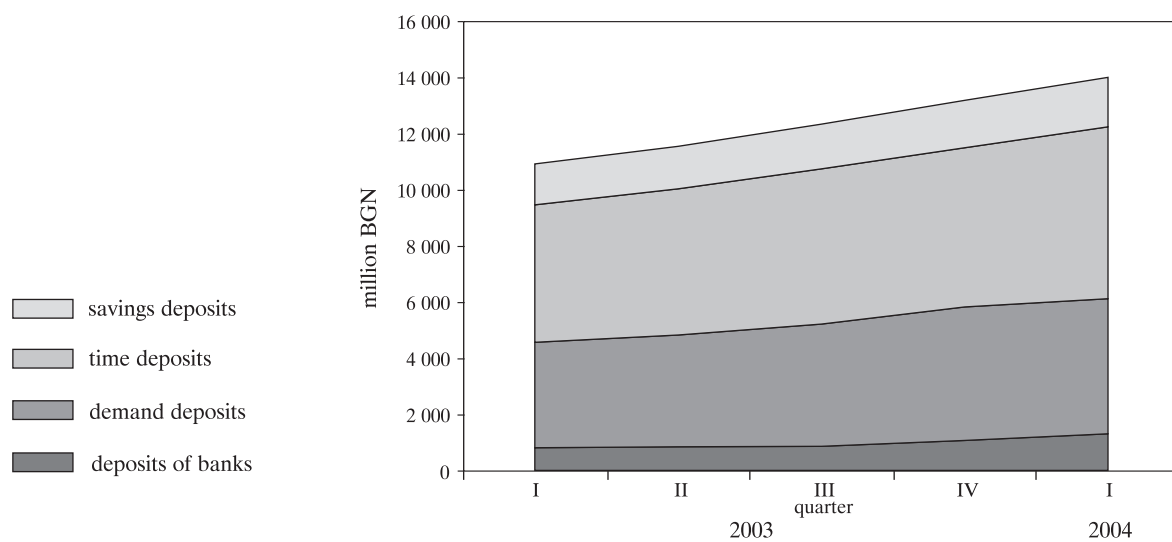


Chart 13

### The Loans to Deposits Ratios

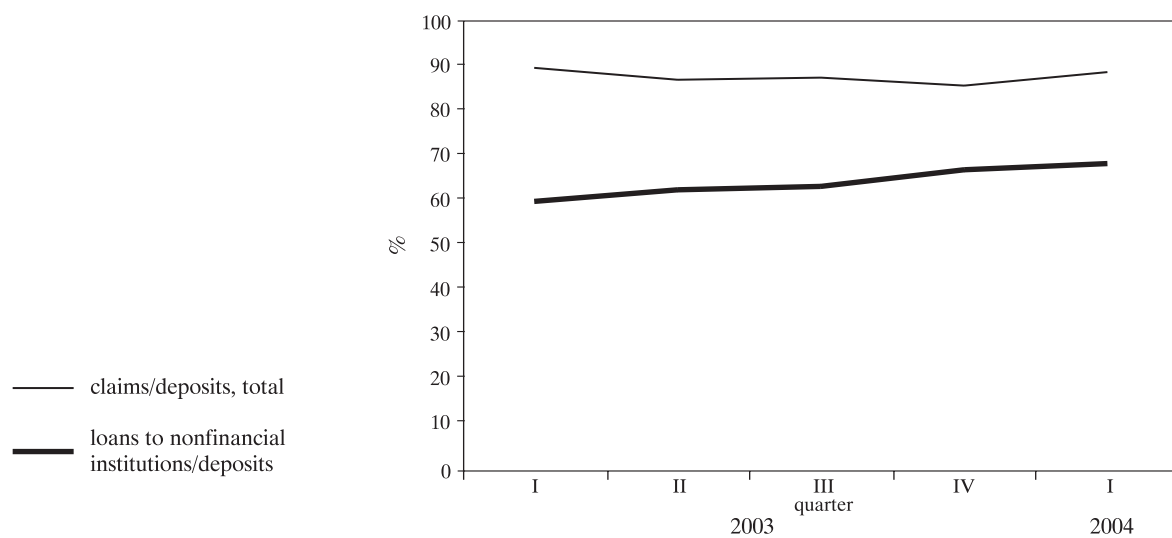


Chart 14

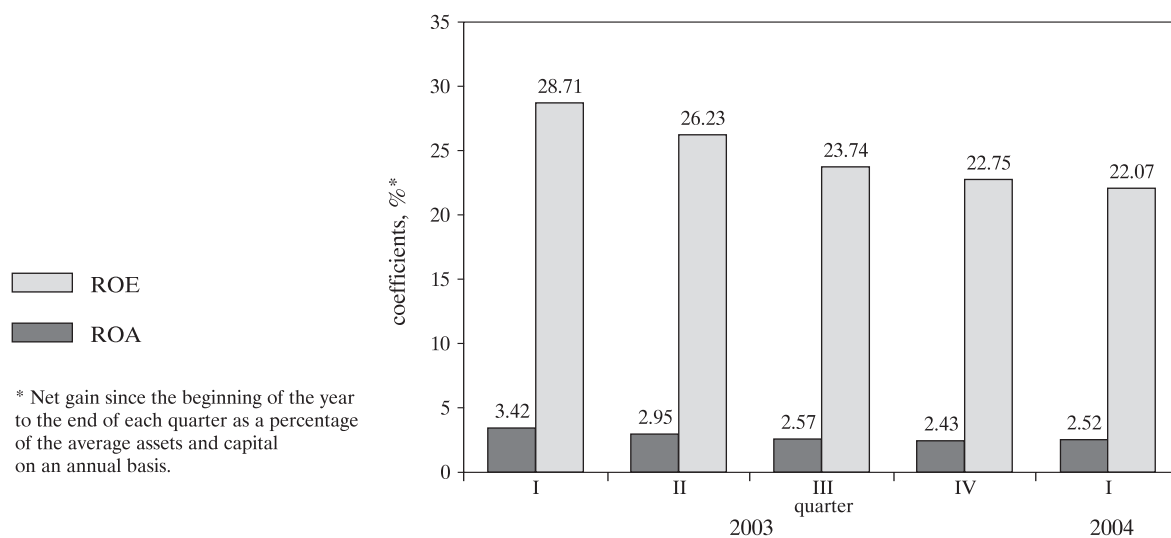
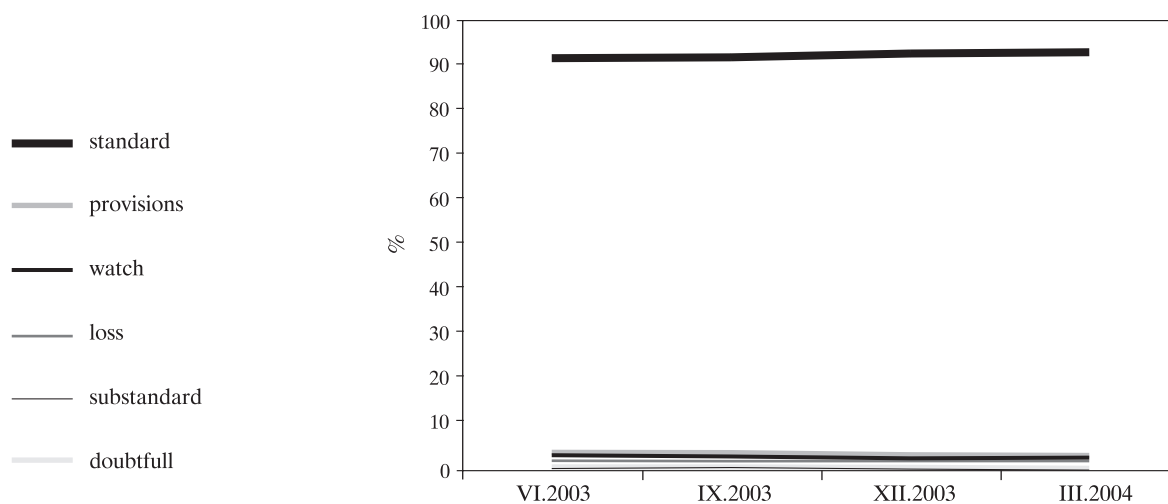
**Return on Assets (ROA) and Return on Equity (ROE)**

Chart 15

**Claims on Nonfinancial 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, doubtful, and loss/gross assets
3.	Classified loans as a percentage of gross loans of nonfinancial institutions and other customers	Gross loans classified as watch, substandard, doubtful, and loss/gross loans
4.	Degree of asset provisioning	Provisions in the balance sheet of claims on financial institutions, nonfinancial institutions and other customers and on other assets/gross assets

#### Ratios Used to Analyze 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 nonfinancial institutions	Provisions in the balance sheet of claims on nonfinancial institutions and other customers/gross claims on nonfinancial institutions and other customers
7.	Degree of classified exposures provisioning	Total specific provisions on impairment loss under Regulation No. 9/gross classified risk exposures
8.	Degree of portfolio basis provisioning	Provisions allocated on claims on nonfinancial institutions and other customers on a portfolio basis (Regulation No. 9)/gross standard exposures on nonfinancial institutions and other customers to be provisioned on a portfolio basis

**Income Ratios**

1.	Return on assets, ROA (net profit since early year as a percentage of average assets since early year)	Net profit since early year/Average assets since early year
2.	Core ROA (net revenue from core operations since early year as a percentage of average assets since early year)	Revenue from core operations since early year (= net interest income + trading portfolio profit/loss + revenue from credit service + income from fees on off-balance sheet commitments + service charge on deposits + other fees and commissions) – net credit provisions (only when the figure is positive) – operating expenditure (= salary and social security expenditures + 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.	Noninterest revenue	Noninterest revenue since the beginning of the year/average assets since the beginning of the year

10.	Efficiency ratio (noninterest expenditure since the beginning of the year as a percentage of the revenue from core operations)	Noninterest expenditure since the beginning of the year/ revenue from core operations
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.	Primary capital adequacy ratio	Primary capital/total risk component
2.	Total capital adequacy ratio	Capital base/total risk component
3.	Primary capital leverage	Primary capital/total assets under Regulation No. 8
4.	Degree of asset coverage	Capital base/total assets under Regulation No. 8
5.	Degree of asset risk	Total risk component/ total assets under Regulation No. 8
6.	Capital exceeding regulatory minimum under Regulation No. 8	The smallest amount of: 1) total capital base – BGN 10,000 2) total capital base – 12% of the total risk component or 3) total capital base – 6% of total assets
7.	Net classified assets as a percentage of the capital base	Classified assets (watch, substandard, doubtful and loss) less provisions on them/capital base
8.	Share of investments in fixed assets	Investments in real estate and other fixed assets/capital base



**Base Indicators' Dynamics**

1.	Primary capital growth in previous 12 months	Primary capital (current quarter, current year) – primary capital (corresponding quarter, previous year)/primary capital (corresponding quarter, previous year)
2.	Capital base growth in previous 12 months	Capital base (current quarter, current year) – capital base (corresponding quarter, previous year)/capital base (corresponding quarter, previous year)
3.	Asset growth in previous 12 months	Total assets (current quarter, current year) – total assets (corresponding quarter, previous year)/total assets (corresponding quarter, previous year)
4.	Credit growth in previous 12 months	Gross credits (current quarter, current year) – gross credits (corresponding quarter, previous year)/gross credits (corresponding quarter, previous year)
5.	Borrowed funds growth in previous 12 months	Total borrowed funds (current quarter, current year) – total borrowed funds (corresponding quarter, previous year)/ total borrowed funds (corresponding quarter, previous year)
6.	Noncore borrowed funds growth in previous 12 months	Noncore borrowed funds (current quarter, current year) – noncore borrowed funds (corresponding quarter, previous year)/noncore borrowed funds (corresponding quarter, previous year)

### Liquidity Ratios

1.	Tradable assets as a percent of gross assets	Tradable assets (source: Regulation No. 11, 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 percent of total borrowed funds	Tradable assets/total borrowed funds (=total deposits + obligations under repurchase agreements + short-term borrowings + long-term borrowings + interest liabilities, source balance of payments)
3.	Noncore borrowed funds as a percent of gross assets	Noncore borrowed funds/gross assets
4.	Credits to deposits ratio	Gross credits of nonfinancial institutions and other customers/total deposits
5.	Pledged securities as a percent of total securities	Pledged securities/total securities (trading portfolio + investment for sale + up to maturity)
6.	Large deposits ratio	Deposits of nonfinancial institutions and other customers exceeding 10 percent of total deposits of nonfinancial institutions and other customers/total deposits of nonfinancial institutions and other customers
7.	Weighted off-balance sheet commitments as a percent of tradable assets	Risk-weighted off-balance sheet commitments under Regulation No. 8/tradable assets
8.	Primary liquidity	Cash/deposits of financial institutions + deposits of nonfinancial institutions + short-term borrowings + long-term borrowings
9.	Secondary liquidity	Liquid assets ratio under Regulation No. 9

## II. Methodological Notes

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 is 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-April 2004). Data on basic items of the balance sheet and income statement is based on relevant total lines.

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

**Group I:** *the first ten banks with the biggest assets. It includes Bulbank, DSK Bank, United Bulgarian Bank, Biochim Commercial Bank, First Investment Bank, Bulgarian Post Bank, Raiffeisenbank, Bulgaria, SG Expressbank, Roseximbank, Hebros Commercial Bank.*

**Group II:** *the other Bulgarian banks. It includes Economic and Investment Bank (former BRIBANK), Central Cooperative Bank, Municipal Bank, Allianz Bulgaria Commercial Bank (former Bulgaria-Invest Commercial Bank), Corporate Commercial Bank, Evrobank, Unionbank, BNP Paribas, Bulgaria (former BNP – Dresdnerbank, Bulgaria), Bulgarian-American Credit Bank, Procredit Bank, First East International Bank, Investbank (former Neftinvestbank), Emporiki Bank – Bulgaria (former Commercial Bank of Greece – Bulgaria), Encouragement Bank, International Bank for Trade and Development, Demirbank, Tokuda Bank, Texim Private Entrepreneurial Bank, WestEast Bank.*

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

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

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



### III. Banking Supervision Regulations

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**OPEN FOREIGN CURRENCY POSITIONS OF COMMERCIAL BANKS AS OF 31 MARCH 2004**  
(under Regulation No. 4 of the BNB)

Banks	Open positions to capital base (%)
Group I	-7.04
Group II	-4.53
<b>Banking system, total*</b>	<b>-6.44</b>

\* Excluding Group III banks.

Source: BNB.

**CAPITAL ADEQUACY OF COMMERCIAL BANKS AS OF 31 MARCH 2004**  
(under Regulation No. 8 of the BNB)

Banks	Capital base (BGN'000)	Primary capital (BGN'000)	Total risk component (BGN'000)	Total capital adequacy (%)	Primary capital adequacy (%)	Degree of asset coverage (%)
Group I	1 737 711	1 073 357	8 151 103	21.32	13.17	12.97
Group II	547 873	426 357	2 591 126	21.14	16.45	13.36
<b>Banking system, total*</b>	<b>2 285 584</b>	<b>1 499 714</b>	<b>10 742 229</b>	<b>21.28</b>	<b>13.96</b>	<b>13.06</b>

\* Excluding Group III banks.

Source: BNB.

**LIQUIDITY OF COMMERCIAL BANKS AS OF 31 MARCH 2004**  
(under Regulation No. 11 of the BNB)

(BGN'000)

Position	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
<b>Group I</b>								
Liquid assets, total	3 671 395	824 968						
ASSETS, TOTAL – inflow	12 835 462	927 123	3 497 310	1 365 088	730 060	855 404	1 569 968	4 817 632
ATTRACTED FUNDS, TOTAL (DEPOSITS)	11 681 182		162 834	72 040	9 338	9 238	80 311	26 837
Coefficient of liquid assets	24.37							
Adjusted coefficient of liquid assets to deposits			104.24	59.43	69.42	144.33	128.49	155.77
<b>Group II</b>								
Liquid assets, total	1 293 791	332 932						
ASSETS, TOTAL – inflow	3 900 575	454 125	1 389 516	289 028	277 563	322 888	558 366	1 063 214
ATTRACTED FUNDS, TOTAL (DEPOSITS)	3 555 895		25 690	34 746	3 517	11 469	10 461	12 484
Coefficient of liquid assets	27.02							
Adjusted coefficient of liquid assets to deposits			161.90	132.57	118.79	61.24	102.09	146.86
<b>Group III</b>								
Liquid assets, total	207 954	2 500						
ASSETS, TOTAL – inflow	1 070 675	3 490	414 552	43 764	86 947	75 802	181 525	268 085
ATTRACTED FUNDS, TOTAL (DEPOSITS)	1 047 634		7 522	11 804	1 328	6	306	6 337
Coefficient of liquid assets	19.61							
Adjusted coefficient of liquid assets to deposits			73.07	20.28	124.62	297.84	285.30	253.70
<b>BANKING SYSTEM, TOTAL</b>								
Liquid assets, total	5 173 140	1 160 400						
ASSETS, TOTAL – inflow	17 806 712	1 384 738	5 301 378	1 697 880	1 094 570	1 254 094	2 309 859	6 148 931
ATTRACTED FUNDS, TOTAL (DEPOSITS)	16 284 711		196 046	118 590	14 183	20 713	91 078	45 658
Coefficient of liquid assets	24.64							
Adjusted coefficient of liquid assets to deposits			110.89	63.51	74.41	106.55	126.06	156.76

Source: BNB.



**CREDIT PORTFOLIO OF COMMERCIAL BANKS AS OF 31 MARCH 2004**  
(under Regulation No. 9 of the BNB)

Bank groups	Loans	March 2004
<b>Group I</b>	<b>Total (BGN'000)</b>	<b>7 390 610</b>
	Standard (%)	93.98
	Watch (%)	2.41
	Substandard (%)	0.62
	Doubtfull (%)	0.52
	Loss (%)	2.47
	Provisions (%)	3.64
<b>Group II</b>	<b>Total (BGN'000)</b>	<b>2 181 243</b>
	Standard (%)	89.09
	Watch (%)	5.47
	Substandard (%)	1.84
	Doubtfull (%)	0.41
	Loss (%)	3.19
	Provisions (%)	4.68
<b>Group III</b>	<b>Total (BGN'000)</b>	<b>670 302</b>
	Standard (%)	94.79
	Watch (%)	4.87
	Substandard (%)	0.15
	Doubtfull (%)	0.00
	Loss (%)	0.19
	Provisions (%)	1.31
<b>Banking system, total</b>	<b>Total (BGN'000)</b>	<b>10 242 155</b>
	Standard (%)	92.99
	Watch (%)	3.22
	Substandard (%)	0.85
	Doubtfull (%)	0.46
	Loss (%)	2.48
	Provisions (%)	3.71

Source: BNB.

### HIGH LIQUIDITY ASSET RATIOS

(share of deposits, %)

Commercial bank groups		March 2004
Group I	Primary liquidity	9.66
	Secondary liquidity	24.37
Group II	Primary liquidity	11.98
	Secondary liquidity	27.02
Group III	Primary liquidity	6.05
	Secondary liquidity	19.61
<b>Banking system, total</b>	<b>Primary liquidity</b>	<b>9.87</b>
	<b>Secondary liquidity</b>	<b>24.64</b>

Source: BNB.

## IV. Balance Sheets and Income Statements

(as of March 2004)

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## BALANCE SHEET OF THE BANKING SYSTEM AS OF 31 MARCH 2004

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
(BGN 000)					
ASSETS					
Vault cash and current accounts with the BNB	1 437 012		615 855	167 208	653 949
Claims on financial institutions					
Demand deposits with banks	290 217	3 886	36 719	65 070	184 542
Time deposits with banks	2 520 315	117 575	235 946	892 017	1 274 777
Loans to banks	17 436	0	340	5 878	11 218
Other claims on banks	26 520	0	17 104	1 236	8 180
Loans to other financial institutions	137 146	113 407	2 800	13 491	7 448
Claims on financial institutions, total	2 991 634	234 868	292 909	977 692	1 486 165
Less: specific provisions	2 316		1 073	779	464
Claims on financial institutions, net	2 989 318	234 868	291 836	976 913	1 485 701
Claims under repurchase agreements	155 513	0	88 762	60 036	6 715
Trading portfolio	1 588 120	17	722 539	526 894	338 670
Investment portfolio					
Investments held to maturity	1 180 086	0	417 355	489 917	272 814
Investments available for sale	596 309	0	222 786	202 880	170 643
Loans to nonfinancial institutions and other customers					
Loans to budget	25 610		25 610	0	0
Commercial loans					
Commercial real estate and construction loans	1 895 964		497 330	1 192 855	205 779
Other commercial loans	5 375 033		2 479 970	2 218 633	676 430
Agricultural loans	234 574		198 293	29 985	6 296
Consumer loans	1 925 114		1 898 386	22 738	3 990
Housing mortgage loans to individuals	465 766		383 583	66 553	15 630
Other loans	320 094	0	198 842	96 661	24 591
Loans to nonfinancial institutions and other customers, total	10 242 155	0	5 682 014	3 627 425	932 716
Less: specific provisions	380 089		237 640	78 723	63 726
Loans to nonfinancial institutions and other customers, net	9 862 066	0	5 444 374	3 548 702	868 990
Memo: purchased loans	27 356				
Assets for resale	12 391		12 391	0	0
Investments in subsidiaries, associated and joint-venture companies	28 827		28 827	0	0
Other assets					
Hedging derivatives	25	0	22	3	0
Other assets	141 481	864	114 555	8 890	17 172
Other assets, total	141 506	864	114 577	8 893	17 172
Intangible assets	134 260		134 260	0	0
Premises and other fixed assets	630 658		630 658	0	0
Assets, total	18 756 066	235 749	8 724 220	5 981 443	3 814 654

(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	148 626	2 873	91 043	38 369	16 341
Time deposits of banks	1 155 308	284 131	228 528	336 958	305 691
Deposits of other financial institutions	568 789	3 833	235 765	283 228	45 963
Deposits of nonfinancial institutions and other customers					
Demand deposits	4 807 763	0	3 146 450	937 507	723 806
Time deposits	6 122 495	0	2 153 720	1 816 212	2 152 563
Savings deposits	1 759 158	0	884 608	400 673	473 877
Deposits, total	14 562 139	290 837	6 740 114	3 812 947	3 718 241
Borrowings under repurchase agreements	180 343	0	135 861	36 636	7 846
Short-term borrowings					
From the BNB	0		0	0	0
From banks	218 947	0	13 575	26 226	179 146
Other	33 638	0	5 592	24 144	3 902
Long-term borrowings	735 135	25 039	120 909	502 473	86 714
Memo: borrowings from banks	525 210	25 039	30 293	418 512	51 366
Subordinated term debt and debt/equity (hybrid) instruments					
Subordinated term debt	20 946		1 000	19 382	564
Debt/equity (hybrid) instruments	47 293		0	31 293	16 000
Other liabilities					
Trading portfolio liabilities	21 019	13	495	6 904	13 607
Hedging derivatives	8 621	0	2 706	4 640	1 275
Specific provisions on off-balance sheet commitments	56 452	0	6 051	3 750	46 651
Other liabilities	456 027	21 820	269 743	98 188	66 276
Liabilities, total	16 340 560	337 709	7 296 046	4 566 583	4 140 222
Minority interest in consolidated subsidiaries	0		0	0	0
Equity					
Common stock	968 697		968 697		
Share premium on common stock	1 452		1 452		
Preferred stock and related premium	0		0		
Reserves					
Retained profit/loss, previous years	341 858	23 883	317 975		
Statutory reserves	278 702		278 702		
Other reserves	478 327	62	478 265		
Cumulative forex translation adjustment	0		0		
Other equity components					
Revaluation – fixed assets	209 159	656	208 503		
Revaluation – investments available for sale	15 208	497	14 711		
Revaluation – cash flow hedges	0	0	0		
Profit/loss, current year	114 157		114 157		
One-off effect of the change in accounting regime	7 946	0	7 946		
Equity, total	2 415 506	25 098	2 390 408		
Liabilities, minority interest, and capital, total	18 756 066	362 807	9 686 454	4 566 583	4 140 222
Memo: credit substitutes and other off-balance sheet commitments	2 834 923	32 035	1 091 431	1 050 403	661 054

# INCOME STATEMENT OF THE BANKING SYSTEM

(March 2004)

(BGN'000)					
	Total	Including			
		Related parties	BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>					
Interest income from demand deposits with banks	470	4	247	107	112
Interest income from time deposits with banks	9 502	362	1 153	3 801	4 186
Interest income from loans to banks	124	0	3	52	69
Interest income from other claims on banks	220	18	158	19	25
Interest income from loans to other financial institutions	1 425	1 107	95	142	81
Interest income from claims under repurchase agreements	1 286	0	306	954	26
Interest income from trading portfolio	19 232	0	10 964	5 727	2 541
Interest income from investment portfolio	21 381	0	8 491	8 904	3 986
Bulgarian government securities	13 010		7 880	4 333	797
Other domestic debt securities	1 175	0	611	361	203
Debt securities issued by foreign governments and international financial institutions	2 897		0	2 279	618
Other foreign debt securities	4 299	0	0	1 931	2 368
Interest income from loans	246 322	0	156 100	71 715	18 507
Loans to budget	548		548	0	0
Commercial real estate and construction loans	40 636		11 764	23 413	5 459
Other commercial loans	115 487		61 009	42 968	11 510
Agricultural loans	4 821		3 933	830	58
Consumer loans	65 706		64 641	835	230
Housing mortgage loans to individuals	12 784		10 661	1 644	479
Other loans	6 340	0	3 544	2 025	771
Dividend income	5	0	5	0	0
<b>Interest and dividend income, total</b>	<b>299 967</b>	<b>1 491</b>	<b>177 522</b>	<b>91 421</b>	<b>29 533</b>
<b>INTEREST EXPENDITURE</b>					
Interest expenditure on deposits of banks	5 475	1 360	1 424	2 000	691
Interest expenditure on deposits of other financial institutions	5 897	12	2 398	3 221	266
Interest expenditure on demand deposits of nonfinancial institutions and other customers	6 747	0	4 681	1 444	622
Interest expenditure on time deposits of nonfinancial institutions and other customers	41 612	0	19 274	10 774	11 564
Interest expenditure on savings deposits of nonfinancial institutions and other customers	4 938	0	3 569	784	585
Interest expenditure on borrowings under repurchase agreements	1 005	0	804	200	1
Interest expenditure on short-term borrowings	1 935	0	43	292	1 600
Interest expenditure on long-term borrowings	7 718	0	1 160	5 281	1 277
Interest expenditure on subordinated term debt	565	0	12	546	7
Interest expenditure on debt/equity (hybrid) instruments	830		0	473	357
Interest expenditure on other liabilities	920		53	466	400
<b>Interest expenditure, total</b>	<b>77 642</b>	<b>1 373</b>	<b>33 418</b>	<b>25 481</b>	<b>17 370</b>
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>222 325</b>	<b>118</b>	<b>144 104</b>	<b>65 940</b>	<b>12 163</b>
<b>CREDIT PROVISIONS</b>					
Accrued provisions	84 981	0			
Reintegrated provisions	69 181	0			
Credit provisions, net	15 800	0			

(continued)

(continued)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
<b>TRADING PORTFOLIO GAIN/LOSS</b>					
Gain/loss on securities trading portfolio	29 432	0			
Gain/loss on derivatives held for trading	-1 685	4			
Gain/loss on other instruments in trading portfolio	6	0			
Trading portfolio gain/loss, total	27 753	4			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>					
Gain/loss on investments available for sale	1 549	0			
Gain/loss on instruments effectively hedging investments available for sale	-1 302	0			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>2 520</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>					
Loan servicing income	17 961	22			
Fee income on off-balance sheet accounts	5 811	1			
Service charges on deposits	27 309	1			
Other fees and commissions	22 279	16			
Gain/loss on assets held for resale	-39	0			
Gain/loss on sale of other assets	162	0			
Gain/loss on foreign currency transactions	13 625	-124			
Other noninterest income	6 694	0			
<b>NONINTEREST EXPENDITURE</b>					
Salary, social security, and pension expenditure	70 279				
Occupancy expenditure, net	38 837				
External service expenditure paid to shareholders, subsidiaries and associated companies	2 592				
Other external service expenditure	43 669	511			
Other noninterest expenditure	33 884	0			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS</b>	<b>141 586</b>	<b>-473</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-6 031</b>	<b>9</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>5 298</b>	<b>0</b>			
<b>TAX</b>	<b>26 696</b>				
<b>MINORITY INTEREST</b>	<b>0</b>				
<b>PROFIT/LOSS, NET</b>	<b>114 157</b>	<b>-464</b>			



## BALANCE SHEET OF GROUP I BANKS AS OF 31 MARCH 2004

(BGN'000)				
	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	1 034 466	459 018	75 138	500 310
Claims on financial institutions				
Demand deposits with banks	174 159	5 257	42 057	126 845
Time deposits with banks	1 756 323	125 126	613 201	1 017 996
Loans to banks	17 436	340	5 878	11 218
Other claims on banks	7 327	1 024	985	5 318
Loans to other financial institutions	13 432	336	9 920	3 176
Claims on financial institutions, total	1 968 677	132 083	672 041	1 164 553
Less: specific provisions	771	384	8	379
Claims on financial institutions, net	1 967 906	131 699	672 033	1 164 174
Claims under repurchase agreements	120 649	61 590	53 582	5 477
Trading portfolio	989 419	374 830	378 286	236 303
Investment portfolio	1 601 475	574 682	634 411	392 382
Investments held to maturity	1 147 523	409 352	476 260	261 911
Investments available for sale	453 952	165 330	158 151	130 471
Loans to nonfinancial institutions and other customers				
Loans to budget	19 786	19 786	0	0
Commercial loans	4 780 301	1 986 452	2 236 441	557 408
Commercial real estate and construction loans	1 168 887	329 769	719 776	119 342
Other commercial loans	3 611 414	1 656 683	1 516 665	438 066
Agricultural loans	148 495	125 117	18 187	5 191
Consumer loans	1 831 833	1 812 890	16 105	2 838
Housing mortgage loans to individuals	420 342	370 351	41 602	8 389
Other loans	189 853	105 104	72 639	12 110
Loans to nonfinancial institutions and other customers, total	7 390 610	4 419 700	2 384 974	585 936
Less: specific provisions	268 932	175 261	47 629	46 042
Loans to nonfinancial institutions and other customers, net	7 121 678	4 244 439	2 337 345	539 894
Memo: purchased loans	20 256			
Assets for resale	5 887	5 887	0	0
Investments in subsidiaries, associated and joint-venture companies	28 122	28 122	0	0
Other assets				
Hedging derivatives	22	22	0	0
Other assets	79 869	68 582	3 815	7 472
Other assets, total	79 891	68 604	3 815	7 472
Intangible assets	118 547	118 547	0	0
Premises and other fixed assets	486 665	486 665	0	0
Assets, total	13 554 705	6 554 083	4 154 610	2 846 012

(continued)

(continued)		(BGN'000)		
		Total	Including	
			BGN	EUR
<b>LIABILITIES, MINORITY INTEREST, AND CAPITAL</b>				
<b>Deposits of financial institutions</b>	<b>827 114</b>	<b>187 562</b>	<b>441 585</b>	<b>197 967</b>
Demand deposits of banks	44 007	9 230	23 269	11 508
Time deposits of banks	429 812	96 744	174 110	158 958
Deposits of other financial institutions	353 295	81 588	244 206	27 501
<b>Deposits of nonfinancial institutions and other customers</b>	<b>9 882 873</b>	<b>4 938 300</b>	<b>2 386 351</b>	<b>2 558 222</b>
Demand deposits	3 501 750	2 296 777	679 602	525 371
Time deposits	4 759 066	1 802 919	1 353 685	1 602 462
Savings deposits	1 622 057	838 604	353 064	430 389
<b>Deposits, total</b>	<b>10 709 987</b>	<b>5 125 862</b>	<b>2 827 936</b>	<b>2 756 189</b>
<b>Borrowings under repurchase agreements</b>	<b>90 431</b>	<b>56 834</b>	<b>33 436</b>	<b>161</b>
<b>Short-term borrowings</b>	<b>163 939</b>	<b>615</b>	<b>15 434</b>	<b>147 890</b>
From the BNB	0	0	0	0
From banks	159 329	0	11 574	147 755
Other	4 610	615	3 860	135
<b>Long-term borrowings</b>	<b>306 229</b>	<b>27 955</b>	<b>226 427</b>	<b>51 847</b>
Memo: borrowings from banks	283 344	19 151	212 827	51 366
<b>Subordinated term debt and debt/equity (hybrid) instruments</b>	<b>49 998</b>	<b>0</b>	<b>49 998</b>	<b>0</b>
Subordinated term debt	18 705	0	18 705	0
Debt/equity (hybrid) instruments	31 293	0	31 293	0
<b>Other liabilities</b>	<b>392 946</b>	<b>208 348</b>	<b>80 386</b>	<b>104 212</b>
Trading portfolio liabilities	20 919	495	6 904	13 520
Hedging derivatives	8 621	2 706	4 640	1 275
Specific provisions on off-balance sheet commitments	51 046	2 386	3 750	44 910
Other liabilities	312 360	202 761	65 092	44 507
<b>Liabilities, total</b>	<b>11 713 530</b>	<b>5 419 614</b>	<b>3 233 617</b>	<b>3 060 299</b>
<b>Minority interest in consolidated subsidiaries</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity</b>				
Common stock	590 080	590 080		
Share premium on common stock	0	0		
Preferred stock and related premium	0	0		
Reserves	963 105	963 105		
Retained profit/loss, previous years	314 953	314 953		
Statutory reserves	216 148	216 148		
Other reserves	432 004	432 004		
Cumulative forex translation adjustment	0	0		
Other equity components	196 789	196 789		
Revaluation – fixed assets	189 770	189 770		
Revaluation – investments available for sale	7 019	7 019		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	87 689	87 689		
One-off effect of the change in accounting regime	3 512	3 512		
<b>Equity, total</b>	<b>1 841 175</b>	<b>1 841 175</b>		
<b>Liabilities, minority interest, and capital, total</b>	<b>13 554 705</b>	<b>7 260 789</b>	<b>3 233 617</b>	<b>3 060 299</b>
<b>Memo: credit substitutes and other off-balance sheet commitments</b>	<b>1 835 709</b>	<b>678 250</b>	<b>633 388</b>	<b>524 071</b>

# INCOME STATEMENT OF GROUP I BANKS

(March 2004)

	Total	(BGN'000)		
		Including		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>				
Interest income from demand deposits with banks	198	2	96	100
Interest income from time deposits with banks	6 595	691	2 478	3 426
Interest income from loans to banks	115	2	49	64
Interest income from other claims on banks	22	0	2	20
Interest income from loans to other financial institutions	227	80	132	15
Interest income from claims under repurchase agreements	1 150	208	921	21
Interest income from trading portfolio	10 925	5 869	3 697	1 359
Interest income from investment portfolio	18 877	8 030	8 033	2 814
Bulgarian government securities	11 874	7 477	3 795	602
Other domestic debt securities	1 080	553	344	183
Debt securities issued by foreign governments and international financial institutions	2 520	0	1 970	550
Other foreign debt securities	3 403	0	1 924	1 479
Interest income from loans	181 262	125 460	45 575	10 227
Loans to budget	425	425	0	0
Commercial real estate and construction loans	24 128	7 897	13 186	3 045
Other commercial loans	76 096	40 794	28 745	6 557
Agricultural loans	3 040	2 549	471	20
Consumer loans	62 971	62 120	650	201
Housing mortgage loans to individuals	11 552	10 361	973	218
Other loans	3050	1314	1550	186
Dividend income	5	5	0	0
<b>Interest and dividend income, total</b>	<b>219 376</b>	<b>140 347</b>	<b>60 983</b>	<b>18 046</b>
<b>INTEREST EXPENDITURE</b>				
Interest expenditure on deposits of banks	2 167	480	1 284	403
Interest expenditure on deposits of other financial institutions	3 362	426	2 777	159
Interest expenditure on demand deposits of nonfinancial institutions and other customers	4 803	3 378	992	433
Interest expenditure on time deposits of nonfinancial institutions and other customers	28 094	16 078	6 123	5 893
Interest expenditure on savings deposits of nonfinancial institutions and other customers	4 295	3 303	601	391
Interest expenditure on borrowings under repurchase agreements	453	269	183	1
Interest expenditure on short-term borrowings	1 447	12	48	1 387
Interest expenditure on long-term borrowings	3 256	485	2 119	652
Interest expenditure on subordinated term debt	537	0	537	0
Interest expenditure on debt/equity (hybrid) instruments	473	0	473	0
Interest expenditure on other liabilities	441	24	393	24
<b>Interest expenditure, total</b>	<b>49 328</b>	<b>24 455</b>	<b>15 530</b>	<b>9 343</b>
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>170 048</b>	<b>115 892</b>	<b>45 453</b>	<b>8 703</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	63 187			
Reintegrated provisions	50 822			
Credit provisions, net	12 365			

(continued)

(continued)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
<b>TRADING PORTFOLIO GAIN/LOSS</b>				
Gain/loss on securities trading portfolio	17 268			
Gain/loss on derivatives held for trading	-2 206			
Gain/loss on other instruments in trading portfolio	6			
Trading portfolio gain/loss, total	15 068			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>-232</b>			
Gain/loss on investments available for sale	1 070			
Gain/loss on instruments effectively hedging investments available for sale	-1 302			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>2 566</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>68 327</b>			
Loan servicing income	13 187			
Fee income on off-balance sheet accounts	3 355			
Service charges on deposits	20 077			
Other fees and commissions	16 279			
Gain/loss on assets held for resale	-68			
Gain/loss on sale of other assets	74			
Gain/loss on foreign currency transactions	10 849			
Other noninterest income	4 574			
<b>NONINTEREST EXPENDITURE</b>	<b>134 482</b>			
Salary, social security, and pension expenditure	48 750			
Occupancy expenditure, net	27 574			
External service expenditure paid to shareholders, subsidiaries and associated companies	1 865			
Other external service expenditure	32 348			
Other noninterest expenditure	23 945			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS</b>	<b>108 930</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-4 815</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>4 787</b>			
<b>TAX</b>	<b>21 213</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>87 689</b>			

## BALANCE SHEET OF GROUP II BANKS AS OF 31 MARCH 2004

	Total	(BGN'000)		
		Including		
		BGN	EUR	Other currencies
<b>ASSETS</b>				
<b>Vault cash and current accounts with the BNB</b>	<b>342 517</b>	<b>144 408</b>	<b>88 203</b>	<b>109 906</b>
<b>Claims on financial institutions</b>				
Demand deposits with banks	108 456	31 394	20 992	56 070
Time deposits with banks	599 120	84 890	257 769	256 461
Loans to banks	0	0	0	0
Other claims on banks	16 082	16 080	0	2
Loans to other financial institutions	10 307	2 464	3 571	4 272
<b>Claims on financial institutions, total</b>	<b>733 965</b>	<b>134 828</b>	<b>282 332</b>	<b>316 805</b>
Less: specific provisions	1 545	689	771	85
<b>Claims on financial institutions, net</b>	<b>732 420</b>	<b>134 139</b>	<b>281 561</b>	<b>316 720</b>
<b>Claims under repurchase agreements</b>	<b>34 864</b>	<b>27 172</b>	<b>6 454</b>	<b>1 238</b>
<b>Trading portfolio</b>	<b>561 771</b>	<b>322 703</b>	<b>144 026</b>	<b>95 042</b>
<b>Investment portfolio</b>	<b>150 900</b>	<b>65 404</b>	<b>38 601</b>	<b>46 895</b>
Investments held to maturity	32 563	8 003	13 657	10 903
Investments available for sale	118 337	57 401	24 944	35 992
<b>Loans to nonfinancial institutions and other customers</b>				
Loans to budget	5 824	5 824	0	0
Commercial loans	1 864 388	802 369	783 741	278 278
Commercial real estate and construction loans	534 062	143 693	312 961	77 408
Other commercial loans	1 330 326	658 676	470 780	200 870
Agricultural loans	69 438	57 670	10 663	1 105
Consumer loans	90 376	83 013	6 409	954
Housing mortgage loans to individuals	34 738	5 522	22 221	6 995
Other loans	116 479	93 547	10 480	12 452
<b>Loans to nonfinancial institutions and other customers, total</b>	<b>2 181 243</b>	<b>1 047 945</b>	<b>833 514</b>	<b>299 784</b>
Less: specific provisions	102 347	60 052	24 795	17 500
<b>Loans to nonfinancial institutions and other customers, net</b>	<b>2 078 896</b>	<b>987 893</b>	<b>808 719</b>	<b>282 284</b>
<b>Memo: purchased loans</b>	<b>7 100</b>			
<b>Assets for resale</b>	<b>6 504</b>	<b>6 504</b>	<b>0</b>	<b>0</b>
<b>Investments in subsidiaries, associated and joint-venture companies</b>	<b>705</b>	<b>705</b>	<b>0</b>	<b>0</b>
<b>Other assets</b>				
Hedging derivatives	3	0	3	0
Other assets	55 331	43 327	3 912	8 092
<b>Other assets, total</b>	<b>55 334</b>	<b>43 327</b>	<b>3 915</b>	<b>8 092</b>
<b>Intangible assets</b>	<b>11 546</b>	<b>11 546</b>	<b>0</b>	<b>0</b>
<b>Premises and other fixed assets</b>	<b>137 678</b>	<b>137 678</b>	<b>0</b>	<b>0</b>
<b>Assets, total</b>	<b>4 113 135</b>	<b>1 881 479</b>	<b>1 371 479</b>	<b>860 177</b>

(continued)

(continued)		(BGN'000)		
	Total	Including		
		BGN	EUR	Other currencies
<b>LIABILITIES, MINORITY INTEREST, AND CAPITAL</b>				
<b>Deposits of financial institutions</b>	<b>497 610</b>	<b>280 004</b>	<b>141 394</b>	<b>76 212</b>
Demand deposits of banks	86 657	67 231	15 099	4 327
Time deposits of banks	218 391	68 865	94 562	54 964
Deposits of other financial institutions	192 562	143 908	31 733	16 921
<b>Deposits of nonfinancial institutions and other customers</b>	<b>2 362 249</b>	<b>1 094 451</b>	<b>572 135</b>	<b>695 663</b>
Demand deposits	1 052 319	748 025	150 381	153 913
Time deposits	1 202 246	303 968	388 817	509 461
Savings deposits	107 684	42 458	32 937	32 289
<b>Deposits, total</b>	<b>2 859 859</b>	<b>1 374 455</b>	<b>713 529</b>	<b>771 875</b>
<b>Borrowings under repurchase agreements</b>	<b>86 912</b>	<b>76 027</b>	<b>3 200</b>	<b>7 685</b>
<b>Short-term borrowings</b>	<b>88 646</b>	<b>18 552</b>	<b>34 936</b>	<b>35 158</b>
From the BNB	0	0	0	0
From banks	59 618	13 575	14 652	31 391
Other	29 028	4 977	20 284	3 767
<b>Long-term borrowings</b>	<b>403 867</b>	<b>92 954</b>	<b>276 046</b>	<b>34 867</b>
Memo: borrowings from banks	216 827	11 142	205 685	0
<b>Subordinated term debt and debt/equity (hybrid) instruments</b>	<b>18 241</b>	<b>1 000</b>	<b>677</b>	<b>16 564</b>
Subordinated term debt	2 241	1 000	677	564
Debt/equity (hybrid) instruments	16 000	0	0	16 000
<b>Other liabilities</b>	<b>113 440</b>	<b>61 645</b>	<b>31 970</b>	<b>19 825</b>
Trading portfolio liabilities	87	0	0	87
Hedging derivatives	0	0	0	0
Specific provisions on off-balance sheet commitments	5 406	3 665	0	1 741
Other liabilities	107 947	57 980	31 970	17 997
<b>Liabilities, total</b>	<b>3 570 965</b>	<b>1 624 633</b>	<b>1 060 358</b>	<b>885 974</b>
<b>Minority interest in consolidated subsidiaries</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity</b>				
Common stock	378 617	378 617		
Share premium on common stock	1 452	1 452		
Preferred stock and related premium	0	0		
Reserves	111 837	111 837		
Retained profit/loss, previous years	3 022	3 022		
Statutory reserves	62 554	62 554		
Other reserves	46 261	46 261		
Cumulative forex translation adjustment	0	0		
Other equity components	26 425	26 425		
Revaluation – fixed assets	18 733	18 733		
Revaluation – investments available for sale	7 692	7 692		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	19 405	19 405		
One-off effect of the change in accounting regime	4 434	4 434		
<b>Equity, total</b>	<b>542 170</b>	<b>542 170</b>		
<b>Liabilities, minority interest, and capital, total</b>	<b>4 113 135</b>	<b>2 166 803</b>	<b>1 060 358</b>	<b>885 974</b>
<b>Memo: credit substitutes and other off-balance sheet commitments</b>	<b>684 610</b>	<b>333 315</b>	<b>272 095</b>	<b>79 200</b>

# INCOME STATEMENT OF GROUP II BANKS (March 2004)

(BGN'000)				
	Total	Including		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>				
Interest income from demand deposits with banks	203	180	11	12
Interest income from time deposits with banks	2 386	408	1 228	750
Interest income from loans to banks	9	1	3	5
Interest income from other claims on banks	180	158	17	5
Interest income from loans to other financial institutions	91	15	10	66
Interest income from claims under repurchase agreements	136	98	33	5
Interest income from trading portfolio	7 798	4 649	1 967	1 182
Interest income from investment portfolio	2 013	428	481	1 104
Bulgarian government securities	997	370	432	195
Other domestic debt securities	95	58	17	20
Debt securities issued by foreign governments and international financial institutions	25	0	25	0
Other foreign debt securities	896	0	7	889
Interest income from loans	56 520	27 467	21 540	7 513
Loans to budget	123	123	0	0
Commercial real estate and construction loans	14 361	3 563	8 592	2 206
Other commercial loans	33 699	17 760	11 523	4 416
Agricultural loans	1 600	1 227	335	38
Consumer loans	2 624	2 428	173	23
Housing mortgage loans to individuals	999	138	616	245
Other loans	3114	2228	301	585
Dividend income	0	0	0	0
<b>Interest and dividend income, total</b>	<b>69 336</b>	<b>33 404</b>	<b>25 290</b>	<b>10 642</b>
<b>INTEREST EXPENDITURE</b>				
Interest expenditure on deposits of banks	1 118	544	434	140
Interest expenditure on deposits of other financial institutions	2 486	1 954	428	104
Interest expenditure on demand deposits of nonfinancial institutions and other customers	1 499	1 156	189	154
Interest expenditure on time deposits of nonfinancial institutions and other customers	12 959	2 987	4 417	5 555
Interest expenditure on savings deposits of nonfinancial institutions and other customers	587	258	153	176
Interest expenditure on borrowings under repurchase agreements	542	525	17	0
Interest expenditure on short-term borrowings	488	31	244	213
Interest expenditure on long-term borrowings	4 462	675	3 162	625
Interest expenditure on subordinated term debt	28	12	9	7
Interest expenditure on debt/equity (hybrid) instruments	357	0	0	357
Interest expenditure on other liabilities	478	29	73	376
<b>Interest expenditure, total</b>	<b>25 004</b>	<b>8 171</b>	<b>9 126</b>	<b>7 707</b>
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>44 332</b>	<b>25 233</b>	<b>16 164</b>	<b>2 935</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	18 351			
Reintegrated provisions	11 538			
Credit provisions, net	6 813			

(continued)

(continued)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
<b>TRADING PORTFOLIO GAIN/LOSS</b>				
Gain/loss on securities trading portfolio	11 512			
Gain/loss on derivatives held for trading	472			
Gain/loss on other instruments in trading portfolio	0			
Trading portfolio gain/loss, total	11 984			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>462</b>			
Gain/loss on investments available for sale	462			
Gain/loss on instruments effectively hedging investments available for sale	0			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>-46</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>21 245</b>			
Loan servicing income	4 419			
Fee income on off-balance sheet accounts	2 183			
Service charges on deposits	6 641			
Other fees and commissions	4 599			
Gain/loss on assets held for resale	29			
Gain/loss on sale of other assets	88			
Gain/loss on foreign currency transactions	2410			
Other noninterest income	876			
<b>NONINTEREST EXPENDITURE</b>	<b>46 936</b>			
Salary, social security, and pension expenditure	19 408			
Occupancy expenditure, net	10 129			
External service expenditure paid to shareholders, subsidiaries and associated companies	727			
Other external service expenditure	8 364			
Other noninterest expenditure	8 308			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS</b>	<b>24 228</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-807</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>513</b>			
<b>TAX</b>	<b>4 529</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>19 405</b>			



## BALANCE SHEET OF GROUP III BANKS AS OF 31 MARCH 2004

(BGN'000)						
	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>ASSETS</b>						
<b>Vault cash and current accounts with the BNB</b>	<b>60 029</b>		<b>60 029</b>	<b>12 429</b>	<b>3 867</b>	<b>43 733</b>
<b>Claims on financial institutions</b>						
Demand deposits with banks	7 602	3 886	3 716	68	2 021	1 627
Time deposits with banks	164 872	117 575	47 297	25 930	21 047	320
Loans to banks	0	0	0	0	0	0
Other claims on banks	3 111	0	3 111	0	251	2 860
Loans to other financial institutions	113 407	113 407	0	0	0	0
<b>Claims on financial institutions, total</b>	<b>288 992</b>	<b>234 868</b>	<b>54 124</b>	<b>25 998</b>	<b>23 319</b>	<b>4 807</b>
Less: specific provisions	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Claims on financial institutions, net</b>	<b>288 992</b>	<b>234 868</b>	<b>54 124</b>	<b>25 998</b>	<b>23 319</b>	<b>4 807</b>
<b>Claims under repurchase agreements</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Trading portfolio</b>	<b>36 930</b>	<b>17</b>	<b>36 913</b>	<b>25 006</b>	<b>4 582</b>	<b>7 325</b>
<b>Investment portfolio</b>	<b>24 020</b>	<b>0</b>	<b>24 020</b>	<b>55</b>	<b>19 785</b>	<b>4 180</b>
Investments held to maturity	0	0	0	0	0	0
Investments available for sale	24 020	0	24 020	55	19 785	4 180
<b>Loans to nonfinancial institutions and other customers</b>	<b>670 302</b>	<b>0</b>	<b>670 302</b>	<b>214 369</b>	<b>408 937</b>	<b>46 996</b>
Loans to budget	0		0	0	0	0
Commercial loans	626 308	0	626 308	188 479	391 306	46 523
Commercial real estate and construction loans	193 015		193 015	23 868	160 118	9 029
Other commercial loans	433 293		433 293	164 611	231 188	37 494
Agricultural loans	16 641		16 641	15 506	1 135	0
Consumer loans	2 905		2 905	2 483	224	198
Housing mortgage loans to individuals	10 686		10 686	7 710	2 730	246
Other loans	13 762	0	13 762	191	13 542	29
<b>Loans to nonfinancial institutions and other customers, total</b>	<b>670 302</b>	<b>0</b>	<b>670 302</b>	<b>214 369</b>	<b>408 937</b>	<b>46 996</b>
Less: specific provisions	<b>8 810</b>	<b>0</b>	<b>8 810</b>	<b>2 327</b>	<b>6 299</b>	<b>184</b>
<b>Loans to nonfinancial institutions and other customers, net</b>	<b>661 492</b>	<b>0</b>	<b>661 492</b>	<b>212 042</b>	<b>402 638</b>	<b>46 812</b>
<b>Memo: purchased loans</b>						
related parties	0					
unrelated parties	0					
<b>Assets for resale</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other assets</b>						
Hedging derivatives	0	0	0	0	0	0
Other assets	6 281	864	5 417	2 646	1 163	1 608
<b>Other assets, total</b>	<b>6 281</b>	<b>864</b>	<b>5 417</b>	<b>2 646</b>	<b>1 163</b>	<b>1 608</b>
<b>Intangible assets</b>	<b>4 167</b>		<b>4 167</b>	<b>4 167</b>	<b>0</b>	<b>0</b>
<b>Premises and other fixed assets</b>	<b>6 315</b>		<b>6 315</b>	<b>6 315</b>	<b>0</b>	<b>0</b>
<b>Assets, total</b>	<b>1 088 226</b>	<b>235 749</b>	<b>852 477</b>	<b>288 658</b>	<b>455 354</b>	<b>108 465</b>

(continued)

(continued)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
LIABILITIES, RESERVES, AND FINANCIAL RESULT						
Deposits of financial institutions	547 999	290 837	257 162	87 770	75 576	93 816
Demand deposits of banks	17 962	2 873	15 089	14 582	1	506
Time deposits of banks	507 105	284 131	222 974	62 919	68 286	91 769
Deposits of other financial institutions	22 932	3 833	19 099	10 269	7 289	1 541
Deposits of nonfinancial institutions and other customers	444 294	0	444 294	152 027	195 906	96 361
Demand deposits	253 694	0	253 694	101 648	107 524	44 522
Time deposits	161 183	0	161 183	46 833	73 710	40 640
Savings deposits	29 417	0	29 417	3 546	14 672	11 199
Deposits, total	992 293	290 837	701 456	239 797	271 482	190 177
Borrowings under repurchase agreements	3 000	0	3 000	3 000	0	0
Short-term borrowings	0	0	0	0	0	0
From the BNB	0		0	0	0	0
From banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
Long-term borrowings	25 039	25 039	0	0	0	0
Memo: borrowings from banks	25 039	25 039	0	0	0	0
Other liabilities	35 733	21 833	13 900	9 002	1 126	3 772
Trading portfolio liabilities	13	13	0	0	0	0
Hedging derivatives	0	0	0	0	0	0
Specific provisions on off-balance sheet commitments	0	0	0	0	0	0
Other liabilities	35 720	21 820	13 900	9 002	1 126	3 772
Liabilities, total	1 056 065	337 709	718 356	251 799	272 608	193 949
Reserves and financial result						
Reserves	23 945	23 945				
Retained profit/loss, previous years	23 883	23 883				
Other reserves	62	62				
Revaluation reserves	1 153	1 153				
Revaluation – fixed assets	656	656				
Revaluation – investments available for sale	497	497				
Revaluation – cash flow hedges	0	0				
Profit/loss, current year	7 063		7 063	7063		
One-off effect of the change in accounting regime	0	0				
Reserves and financial result, total	32 161	25 098	7 063	7063		
Liabilities, reserves, and financial result, total	1 088 226	362 807	725 419	258 862	272 608	193 949
Memo: credit substitutes and other off-balance sheet commitments	314 604	32 035	282 569	79 866	144 920	57 783

# INCOME STATEMENT OF GROUP III BANKS

(March 2004)

(BGN'000)						
	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>						
Interest income from demand deposits with banks	69	4	65	65	0	0
Interest income from time deposits with banks	521	362	159	54	95	10
Interest income from loans to banks	0	0	0	0	0	0
Interest income from other claims on banks	18	18	0	0	0	0
Interest income from loans to other financial institutions	1 107	1 107	0	0	0	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	509	0	509	446	63	0
Interest income from investment portfolio	491	0	491	33	390	68
Bulgarian government securities	139		139	33	106	0
Other domestic debt securities	0	0	0	0	0	0
Foreign debt securities issued by foreign governments and international financial institutions	352		352	0	284	68
Other foreign debt securities	0	0	0	0	0	0
Interest income from loans	8 540	0	8 540	3 173	4 600	767
Loans to budget	0		0	0	0	0
Commercial real estate and construction loans	2 147		2 147	304	1 635	208
Other commercial loans	5 692		5 692	2 455	2 700	537
Agricultural loans	181		181	157	24	0
Consumer loans	111		111	93	12	6
Housing mortgage loans to individuals	233		233	162	55	16
Other loans	176	0	176	2	174	0
Dividend income	0	0	0	0	0	0
<b>Interest and dividend income, total</b>	<b>11 255</b>	<b>1 491</b>	<b>9 764</b>	<b>3 771</b>	<b>5 148</b>	<b>845</b>
<b>INTEREST EXPENDITURE</b>						
Interest expenditure on deposits of banks	2 190	1 360	830	400	282	148
Interest expenditure on deposits of other financial institutions	49	12	37	18	16	3
Interest expenditure on demand deposits of nonfinancial institutions and other customers	445	0	445	147	263	35
Interest expenditure on time deposits of nonfinancial institutions and other customers	559	0	559	209	234	116
Interest expenditure on savings deposits of nonfinancial institutions and other customers	56	0	56	8	30	18
Interest expenditure on borrowings under repurchase agreements	10	0	10	10	0	0
Interest expenditure on short-term borrowings	0	0	0	0	0	0
Interest expenditure on long-term borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	1	1	0	0	0	0
<b>Interest expenditure, total</b>	<b>3 310</b>	<b>1 373</b>	<b>1 937</b>	<b>792</b>	<b>825</b>	<b>320</b>
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>7 945</b>	<b>118</b>	<b>7 827</b>	<b>2 979</b>	<b>4 323</b>	<b>525</b>
<b>CREDIT PROVISIONS</b>						
Accrued provisions	3 443	0	3 443			
Reintegrated provisions	6 821	0	6 821			
Credit provisions, net	-3 378	0	-3 378			

(continued)

(continued)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>TRADING PORTFOLIO GAIN/LOSS</b>						
Gain/loss on trading portfolio securities	652	0	652			
Gain/loss on derivatives held for trading	49	4	45			
Gain/loss on other instruments in trading portfolio	0	0	0			
Total trading portfolio gain/loss	701	4	697			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>17</b>	<b>0</b>	<b>17</b>			
Gain/loss on investments available for sale	17	0	17			
Gain/loss on instruments effectively hedging investments available for sale	0	0	0			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>4 230</b>	<b>-84</b>	<b>4 314</b>			
Loan servicing income	355	22	333			
Fee income on off-balance sheet accounts	273	1	272			
Service charges on deposits	591	1	590			
Other fees and commissions	1 401	16	1 385			
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	366	-124	490			
Other noninterest income	1 244	0	1 244			
<b>NONINTEREST EXPENDITURE</b>	<b>7 843</b>	<b>511</b>	<b>7 332</b>			
Salary, social security, and pension expenditure	2 121		2 121			
Occupancy expenditure, net	1 134		1 134			
External service expenditure	2 957	511	2 446			
Other noninterest expenditure	1 631	0	1 631			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS</b>	<b>8 428</b>	<b>-473</b>	<b>8 901</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-409</b>	<b>9</b>	<b>-418</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>-2</b>	<b>0</b>	<b>-2</b>			
<b>TAX</b>	<b>954</b>		<b>954</b>			
<b>PROFIT/LOSS, NET</b>	<b>7 063</b>	<b>-464</b>	<b>7 527</b>			

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

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## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	22 997	9 409	4 295	9 293
Claims on financial institutions, net	82 740	10 853	28 358	43 529
Claims under repurchase agreements	4 206	1 666	2 540	0
Trading portfolio	50 777	36 895	13 401	481
Investment portfolio	43 218	15 349	15 820	12 049
Loans to nonfinancial institutions and other customers, net	136 368	87 444	31 620	17 304
Loans to budget	0	0	0	0
Commercial loans	121 536	77 424	26 605	17 507
Commercial real estate and construction loans	43 658	20 971	10 269	12 418
Other commercial loans	77 878	56 453	16 336	5 089
Agricultural loans	5 352	5 226	126	0
Consumer loans	9 781	7 747	1 911	123
Housing mortgage loans to individuals	4 131	133	3 998	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	140 800	90 530	32 640	17 630
Less: specific provisions	4 432	3 086	1 020	326
Assets for resale	112	112	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	2 064	1 969	86	9
Intangible assets	1 205	1 205	0	0
Premises and other fixed assets	7 919	7 919	0	0
Assets, total	351 606	172 821	96 120	82 665
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	120 657	88 113	11 848	20 696
Demand deposits of banks	10	0	10	0
Time deposits of banks	16 725	6 001	0	10 724
Deposits of other financial institutions	103 922	82 112	11 838	9 972
Deposits of nonfinancial institutions and other customers	161 125	70 053	29 949	61 123
Demand deposits	81 437	38 892	9 152	33 393
Time deposits	67 714	27 500	15 499	24 715
Savings deposits	11 974	3 661	5 298	3 015
Deposits, total	281 782	158 166	41 797	81 819
Borrowings under repurchase agreements	8 519	8 519	0	0
Short-term borrowings	6 947	1 001	5 946	0
Long-term borrowings	18 262	1 377	16 885	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	10 248	4 686	4 982	580
Liabilities, total	325 758	173 749	69 610	82 399
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	25 848	25 848		
Shareholder capital	14 000	14 000		
Reserves	10 566	10 566		
Profit/loss, current year	1 282	1 282		
Liabilities, minority interest, and capital, total	351 606	199 597	69 610	82 399
Memo: credit substitutes and other off-balance sheet commitments	44 264	21 678	15 724	6 862

\* Former Bulgaria-Invest Commercial Bank.


**INCOME STATEMENT**  
(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>5 258</b>	<b>3 194</b>	<b>1 528</b>	<b>536</b>
Interest income from claims on financial institutions	367	119	169	79
Interest income from claims under repurchase agreements	35	5	30	0
Interest income from trading portfolio	811	549	233	29
Interest income from investment portfolio	584	153	238	193
Interest income from loans	3 461	2 368	858	235
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>2 586</b>	<b>1 703</b>	<b>584</b>	<b>299</b>
Interest expenditure on deposits of financial institutions	1 532	1 287	182	63
Interest expenditure on deposits of nonfinancial institutions and other customers	682	343	106	233
Interest expenditure on borrowings under repurchase agreements	73	73	0	0
Interest expenditure on borrowings	299	0	296	3
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>2 672</b>	<b>1 491</b>	<b>944</b>	<b>237</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	1 294			
Reintegrated provisions	511			
Credit provisions, net	783			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 793</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>323</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>-46</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>949</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>3 021</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>1 887</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-158</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>447</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>1 282</b>			



## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Resolution No. 345 of 3 June 1997 of the BNB Managing Board. 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
<b>Legal registration</b>	Company file No. 12684 of 1997, vol. 487, p. 202, lot No. 44383
<b>Address of the head office</b>	79 Knyaginya Maria-Luiza Blvd., Sofia 1000 tel. 02/921 54 04 Website: www.allianz.bg
<b>Management</b>	
Supervisory Board	Oleg Nikolov Nedialkov – Chairman
	Sofia Kamenova Hristova – Deputy Chairman
	Emil Dimitrov Gavrilov – Deputy Chairman
	Maxim Stanev Sirakov
	Temenouga Nenova Matrakchieva
Management Board	Radka Stefanova Rasina
	Dimitar Georgiev Zhelev – Chairman
	Dimitar Ivanov Kostov – Deputy Chairman
	Strahil Nikolov Vidinov – Deputy Chairman
	Svetlozar Georgiev Karaneshev
<b>Shareholders</b> (shares over 10%)	Hristo Borisov Babev
	Allianz Bulgaria Holding Ltd. – 79.39%



## ALPHA BANK, SOFIA BRANCH

### BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

(BGN 000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	7 281	0	7 281	2 221	1 256	3 804
Claims on financial institutions, net	16 625	11 884	4 741	4 500	154	87
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 nonfinancial institutions and other customers, net	90 988	0	90 988	8 485	80 834	1 669
Loans to budget	0	0	0	0	0	0
Commercial loans	77 210	0	77 210	8 432	67 143	1 635
Commercial real estate and construction loans	20 745	0	20 745	70	20 482	193
Other commercial loans	56 465	0	56 465	8 362	46 661	1 442
Agricultural loans	0	0	0	0	0	0
Consumer loans	46	0	46	16	30	0
Housing mortgage loans to individuals	202	0	202	38	130	34
Other loans	13 542	0	13 542	0	13 542	0
Loans to nonfinancial institutions and other customers, total	91 000	0	91 000	8 486	80 845	1 669
Less: specific provisions	12	0	12	1	11	0
Assets for resale	0	0	0	0	0	0
Other assets, net	657	14	643	526	8	109
Intangible assets	19	0	19	19	0	0
Premises and other fixed assets	1 756	0	1 756	1 756	0	0
Assets, total	117 326	11 898	105 428	17 507	82 252	5 669
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	73 793	38 663	35 130	6 155	28 812	163
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	63 122	38 663	24 459	0	24 459	0
Deposits of other financial institutions	10 671	0	10 671	6 155	4 353	163
Deposits of nonfinancial institutions and other customers	38 922	0	38 922	12 609	15 905	10 408
Demand deposits	15 511	0	15 511	7 257	7 524	730
Time deposits	17 159	0	17 159	4 731	5 228	7 200
Savings deposits	6 252	0	6 252	621	3 153	2 478
Deposits, total	112 715	38 663	74 052	18 764	44 717	10 571
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	786	458	328	273	12	43
Liabilities, total	113 501	39 121	74 380	19 037	44 729	10 614
Reserves and financial result, total	3 825	3 454	371	371		
Reserves	3 454	3 454	0	0		
Profit/loss, current year	371	0	371	371		
Liabilities, reserves, and financial result, total	117 326	42 575	74 751	19 408	44 729	10 614
Memo: credit substitutes and other off-balance sheet commitments	33 566	0	33 566	2 260	30 798	508



## ALPHA BANK, SOFIA BRANCH

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Balance Sheets and Income Statements of Individual Commercial Banks

### INCOME STATEMENT (March 2004)

	(BGN'000)					
	Total	Related parties	Unrelated parties			Other currencies
			Total	BGN	EUR	
<b>INTEREST AND DIVIDEND INCOME</b>	<b>1 138</b>	<b>29</b>	<b>1 109</b>	<b>141</b>	<b>950</b>	<b>18</b>
Interest income from claims on financial institutions	51	29	22	17	0	5
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	1 087	0	1 087	124	950	13
Dividend income	0	0	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>439</b>	<b>208</b>	<b>231</b>	<b>76</b>	<b>147</b>	<b>8</b>
Interest expenditure on deposits of financial institutions	341	208	133	0	133	0
Interest expenditure on deposits of nonfinancial institutions and other customers	98	0	98	76	14	8
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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>699</b>	<b>-179</b>	<b>878</b>	<b>65</b>	<b>803</b>	<b>10</b>
<b>CREDIT PROVISIONS</b>						
Accrued provisions	1	0	1			
Reintegrated provisions	2	0	2			
Credit provisions, net	-1	0	-1			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>226</b>	<b>0</b>	<b>226</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>527</b>	<b>0</b>	<b>527</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>399</b>	<b>-179</b>	<b>578</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>64</b>	<b>0</b>	<b>64</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>-2</b>	<b>0</b>	<b>-2</b>			
<b>TAX</b>	<b>90</b>	<b>0</b>	<b>90</b>			
<b>PROFIT/LOSS, NET</b>	<b>371</b>	<b>-179</b>	<b>550</b>			



## ALPHA BANK, SOFIA BRANCH

### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Resolution No. 31 of 2 February 1995 of the BNB Managing Board; 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'
<b>Legal registration</b>	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
<b>Address</b>	11 Narodno Sabranie Square, Sofia 1000 tel. 02/981 65 54 Website: <a href="http://www.alphabank.bg">www.alphabank.bg</a>
<b>Management</b>	The branch is represented by two persons with first signature or with first and second signatures put jointly, i. e. with the signatures of: Yoannis Yordanis Yordanidis – Governor, and Teoni Georgios Ziguraki – Deputy Governor, put jointly, or with the signature of one of them and one of the signatures of the deputy governors entitled to second signature: Iskrenna Stefanova Makarieva
<b>Shareholders</b> (shares over 10%)	Branch of Alpha Bank AE, Athens, Greece

**BALANCE SHEET AS OF 31 MARCH 2004**

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	130 827	28 700	8 442	93 685
Claims on financial institutions, net	176 918	34 684	17 551	124 683
Claims under repurchase agreements	2 000	0	0	2 000
Trading portfolio	46 775	30 718	13 746	2 311
Investment portfolio	65 794	37 391	25 874	2 529
Loans to nonfinancial institutions and other customers, net	788 361	449 834	302 847	35 680
Loans to budget	9 449	9 449	0	0
Commercial loans	569 319	236 921	290 885	41 513
Commercial real estate and construction loans	264 807	58 508	200 740	5 559
Other commercial loans	304 512	178 413	90 145	35 954
Agricultural loans	4 488	4 488	0	0
Consumer loans	211 681	205 166	5 869	646
Housing mortgage loans to individuals	26 914	11 949	13 170	1 795
Other loans	13 423	9 889	1 816	1 718
Loans to nonfinancial institutions and other customers, total	835 274	477 862	311 740	45 672
Less: specific provisions	46 913	28 028	8 893	9 992
Assets for resale	1 151	1 151	0	0
Investments in unconsolidated subsidiaries and associated companies	110	110	0	0
Other assets, net	6 164	5 678	478	8
Intangible assets	1 853	1 853	0	0
Premises and other fixed assets	46 569	46 569	0	0
Assets, total	1 266 522	636 688	368 938	260 896
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	168 601	25 375	68 627	74 599
Demand deposits of banks	765	213	143	409
Time deposits of banks	164 414	22 640	67 595	74 179
Deposits of other financial institutions	3 422	2 522	889	11
Deposits of nonfinancial institutions and other customers	813 561	427 882	190 410	195 269
Demand deposits	435 908	330 096	77 101	28 711
Time deposits	260 571	61 413	79 978	119 180
Savings deposits	117 082	36 373	33 331	47 378
Deposits, total	982 162	453 257	259 037	269 868
Borrowings under repurchase agreements	24 327	9 688	14 478	161
Short-term borrowings	0	0	0	0
Long-term borrowings	68 886	807	68 079	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	46 502	23 052	13 531	9 919
Liabilities, total	1 121 877	486 804	355 125	279 948
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	144 645	144 645		
Shareholder capital	36 842	36 842		
Reserves	100 248	100 248		
Profit/loss, current year	7 555	7 555		
Liabilities, minority interest, and capital, total	1 266 522	631 449	355 125	279 948
Memo: credit substitutes and other off-balance sheet commitments	326 425	169 158	76 746	80 521

## INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>18 873</b>	<b>12 809</b>	<b>5 096</b>	<b>968</b>
Interest income from claims on financial institutions	664	297	57	310
Interest income from claims under repurchase agreements	3	2	0	1
Interest income from trading portfolio	653	452	128	73
Interest income from investment portfolio	858	548	293	17
Interest income from loans	16 695	11 510	4 618	567
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>2 743</b>	<b>998</b>	<b>1 432</b>	<b>313</b>
Interest expenditure on deposits of financial institutions	415	104	274	37
Interest expenditure on deposits of nonfinancial institutions and other customers	1 476	811	389	276
Interest expenditure on borrowings under repurchase agreements	107	72	35	0
Interest expenditure on borrowings	739	5	734	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	6	6	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>16 130</b>	<b>11 811</b>	<b>3 664</b>	<b>655</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	5 101			
Reintegrated provisions	3 329			
Credit provisions, net	1 772			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 803</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>296</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>8 548</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>14 103</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>10 902</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-1 322</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>2 025</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>7 555</b>			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	No. 140-00415 of 5 September 1995, Resolution No. 266 of 4 September 1995 of the BNB Managing Board. 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
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<b>Legal registration</b>	Resolution of 13 September 1995 of the Sofia City Court on company file No. 14835 of 1995 of Sofia City Court, entered in the Commercial Register, lot No. 691, vol. 13, reg. I, p. 12
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<b>Address of the head office</b>	1 Ivan Bazov Str., Sofia 1000 tel. 02/926 92 10 Website: www.biochim.com
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**Management**

Supervisory Board	Anton Knett  Wilhelm Hemetsberger  Wolfgang Edelmüller  Heinz Meidlinger  Harald Nogrsek  Friedrich Kadronska  Wolfgang Haller
Management Board	Peter Harold – Chairman and Executive Director  Lyudmil Vladimirov Gachev – Executive Director  Emiliya Stefanova Palibachiyska – Executive Director  Maria Dimova Ilieva – Executive Director  Armin Huber – Executive Director

**Shareholders**  
(shares over 10%)

Bank Austria Creditanstalt – 99.59%



## BNP PARIBAS, BULGARIA

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	7 053	1 940	3 989	1 124
Claims on financial institutions, net	48 972	5 158	27 743	16 071
Claims under repurchase agreements	4 256	2 300	1 956	0
Trading portfolio	9 814	2 724	686	6 404
Investment portfolio	92	92	0	0
Loans to nonfinancial institutions and other customers, net	152 567	33 017	84 689	34 861
Loans to budget	0	0	0	0
Commercial loans	152 717	33 156	85 096	34 465
Commercial real estate and construction loans	34 871	0	34 871	0
Other commercial loans	117 846	33 156	50 225	34 465
Agricultural loans	0	0	0	0
Consumer loans	252	133	91	28
Housing mortgage loans to individuals	374	112	230	32
Other loans	512	0	0	512
Loans to nonfinancial institutions and other customers, total	153 855	33 401	85 417	35 037
Less: specific provisions	1 288	384	728	176
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	212	200	5	7
Intangible assets	212	212	0	0
Premises and other fixed assets	15 873	15 873	0	0
Assets, total	239 051	61 516	119 068	58 467
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	49 524	12 253	7 912	29 359
Demand deposits of banks	7 285	124	3 596	3 565
Time deposits of banks	36 842	8 908	3 448	24 486
Deposits of other financial institutions	5 397	3 221	868	1 308
Deposits of nonfinancial institutions and other customers	112 889	45 191	46 112	21 586
Demand deposits	94 282	43 414	36 770	14 098
Time deposits	18 607	1 777	9 342	7 488
Savings deposits	0	0	0	0
Deposits, total	162 413	57 444	54 024	50 945
Borrowings under repurchase agreements	13 331	5 033	2 613	5 685
Short-term borrowings	0	0	0	0
Long-term borrowings	9 821	0	9 821	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	3 190	2 400	736	54
Liabilities, total	188 755	64 877	67 194	56 684
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	50 296	50 296		
Shareholder capital	36 000	36 000		
Reserves	13 438	13 438		
Profit/loss, current year	858	858		
Liabilities, minority interest, and capital, total	239 051	115 173	67 194	56 684
Memo: credit substitutes and other off-balance sheet commitments	203 397	37 010	136 725	29 662



**INCOME STATEMENT**

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>2 489</b>	<b>718</b>	<b>1 483</b>	<b>288</b>
Interest income from claims on financial institutions	190	40	144	6
Interest income from claims under repurchase agreements	1	0	1	0
Interest income from trading portfolio	43	0	40	3
Interest income from investment portfolio	0	0	0	0
Interest income from loans	2 255	678	1 298	279
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>412</b>	<b>182</b>	<b>151</b>	<b>79</b>
Interest expenditure on deposits of financial institutions	174	70	47	57
Interest expenditure on deposits of nonfinancial institutions and other customers	163	104	44	15
Interest expenditure on borrowings under repurchase agreements	2	0	2	0
Interest expenditure on borrowings	58	0	58	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	15	8	0	7
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>2 077</b>	<b>536</b>	<b>1 332</b>	<b>209</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	749			
Reintegrated provisions	956			
Credit provisions, net	-207			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>49</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>1 417</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>2 640</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>1 110</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-44</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>208</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>858</b>			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	No. 349 of 14 November 1994 by Resolution of the BNB Managing Board 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
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<b>Legal registration</b>	Company file No. 22740 of 1994, lot No. 21406, vol. 259, p. 142
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<b>Address of the head office</b>	2 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/921 86 40; 921 86 50 Website: <a href="http://www.bnparibas-bg.com">www.bnparibas-bg.com</a>
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**Management**

Supervisory Board	Matthieu Lacaze  Gilles Franck  Jean-Pierre Bernard
Management Board	Ullrich-Günther Schubert – Chief Executive Director  Ivailo Lyubomirov Lyubomirov – Executive Director  Loic Prime – Executive Director

**Shareholders**  
(shares over 10%)

Bank Nationale de Paris, France – 100%
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**BALANCE SHEET AS OF 31 MARCH 2004**

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	190 183	39 832	8 376	141 975
Claims on financial institutions, net	722 889	12 002	322 740	388 147
Claims under repurchase agreements	8 951	8 951	0	0
Trading portfolio	220 689	46 353	170 731	3 605
Investment portfolio	852 007	297 058	310 024	244 925
Loans to nonfinancial institutions and other customers, net	856 303	413 768	398 373	44 162
Loans to budget	0	0	0	0
Commercial loans	791 823	338 574	402 140	51 109
Commercial real estate and construction loans	208 574	28 020	167 328	13 226
Other commercial loans	583 249	310 554	234 812	37 883
Agricultural loans	26 716	26 002	127	587
Consumer loans	41 882	39 037	1 752	1 093
Housing mortgage loans to individuals	27 969	25 488	2 481	0
Other loans	1 545	141	36	1 368
Loans to nonfinancial institutions and other customers, total	889 935	429 242	406 536	54 157
Less: specific provisions	33 632	15 474	8 163	9 995
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	7629	7629	0	0
Other assets, net	5 464	5 300	82	82
Intangible assets	63 038	63 038	0	0
Premises and other fixed assets	112 606	112 606	0	0
Assets, total	3 039 759	1 006 537	1 210 326	822 896
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	133 819	17 612	103 492	12 715
Demand deposits of banks	12 062	592	4 996	6 474
Time deposits of banks	5 848	0	2 054	3 794
Deposits of other financial institutions	115 909	17 020	96 442	2 447
Deposits of nonfinancial institutions and other customers	2 191 512	606 455	789 635	795 422
Demand deposits	936 801	387 282	273 088	276 431
Time deposits	1 249 146	218 612	514 416	516 118
Savings deposits	5 565	561	2 131	2 873
Deposits, total	2 325 331	624 067	893 127	808 137
Borrowings under repurchase agreements	1 033	1 033	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	135 640	41 592	26 948	67 100
Liabilities, total	2 462 004	666 692	920 075	875 237
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	577 755	577 755		
Shareholder capital	166 370	166 370		
Reserves	392 904	392 904		
Profit/loss, current year	18 481	18 481		
Liabilities, minority interest, and capital, total	3 039 759	1 244 447	920 075	875 237
Memo: credit substitutes and other off-balance sheet commitments	559 702	125 676	170 991	263 035

**INCOME STATEMENT**  
 (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>35 762</b>	<b>15 631</b>	<b>15 892</b>	<b>4 239</b>
Interest income from claims on financial institutions	2 363	4	982	1 377
Interest income from claims under repurchase agreements	2	2	0	0
Interest income from trading portfolio	2 415	570	1 788	57
Interest income from investment portfolio	10 057	4 139	4 181	1 737
Interest income from loans	20 925	10 916	8 941	1 068
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>6 171</b>	<b>2 061</b>	<b>2 962</b>	<b>1 148</b>
Interest expenditure on deposits of financial institutions	268	41	213	14
Interest expenditure on deposits of nonfinancial institutions and other customers	5 473	2 006	2 357	1 110
Interest expenditure on borrowings under repurchase agreements	14	14	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	416	0	392	24
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>29 591</b>	<b>13 570</b>	<b>12 930</b>	<b>3 091</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	7 445			
Reintegrated provisions	4 520			
Credit provisions, net	2 925			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>-779</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>206</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>2 509</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>9 767</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>15 718</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>22 651</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>320</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>4 490</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>18 481</b>			

## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Licensed by Resolution of the BNB Managing Board of 25 February 1991, updated by Order No. 100-00485 of the BNB Governor dated 17 November 1999
<b>Legal registration</b>	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
<b>Address of the head office</b>	7 Sveta Nedelya Sq., Sofia 1000 tel. 02/923 21 11 Website: www.bulbank.bg
<b>Management</b>	
Supervisory Board	Paolo Fiorentino – Chairman
	Alberto Fausto Galmarini – Deputy Chairman
	Massimiliano Moi
	Dimitar Georgiev Zhelev
	Ivan Stancioff
	Jan Bielecki
Management Board	Marcello Arloto
	Levon Hampartsumyan – Chairman and Chief Executive Director
	Alessandro Decio – Deputy Chairman and Chief Operating Director, Executive Director
	Kiril Stefanov
	Stanislav Georgiev
<b>Shareholders</b> (shares over 10%)	Kalinka Kirova
	UniCredito Italiano S. A. – 85.19%



# BULGARIAN-AMERICAN CREDIT BANK

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	6 560	1 056	1 324	4 180
Claims on financial institutions, net	11 456	18	2 058	9 380
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	10 123	3	6 549	3 571
Loans to nonfinancial institutions and other customers, net	207 488	1 046	165 280	41 162
Loans to budget	0	0	0	0
Commercial loans	200 685	1 046	160 762	38 877
Commercial real estate and construction loans	126 775	0	95 297	31 478
Other commercial loans	73 910	1 046	65 465	7 399
Agricultural loans	5 163	0	4 092	1 071
Consumer loans	142	0	142	0
Housing mortgage loans to individuals	10 536	0	5 160	5 376
Other loans	2 013	0	0	2 013
Loans to nonfinancial institutions and other customers, total	218 539	1 046	170 156	47 337
Less: specific provisions	11 051	0	4 876	6 175
Assets for resale	459	459	0	0
Investments in unconsolidated subsidiaries and associated companies	150	150	0	0
Other assets, net	915	582	270	63
Intangible assets	175	175	0	0
Premises and other fixed assets	4 832	4 832	0	0
Assets, total	242 158	8 321	175 481	58 356
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	15 228	1 075	11 425	2 728
Demand deposits of banks	0	0	0	0
Time deposits of banks	9 133	0	6 732	2 401
Deposits of other financial institutions	6 095	1 075	4 693	327
Deposits of nonfinancial institutions and other customers	34 051	3 809	12 026	18 216
Demand deposits	11 530	3 006	6 553	1 971
Time deposits	22 521	803	5 473	16 245
Savings deposits	0	0	0	0
Deposits, total	49 279	4 884	23 451	20 944
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	24 830	0	23 152	1 678
Long-term borrowings	100 675	0	73 914	26 761
Subordinated term debt and debt/equity (hybrid) instruments	16 000	0	0	16 000
Other liabilities	9 023	2 329	5 275	1 419
Liabilities, total	199 807	7 213	125 792	66 802
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	42 351	42 351		
Shareholder capital	12 500	12 500		
Reserves	26 759	26 759		
Profit/loss, current year	3 092	3 092		
Liabilities, minority interest, and capital, total	242 158	49 564	125 792	66 802
Memo: credit substitutes and other off-balance sheet commitments	30 256	630	27 094	2 532



# BULGARIAN-AMERICAN CREDIT BANK

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## INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>7 930</b>	<b>32</b>	<b>6 023</b>	<b>1 875</b>
Interest income from claims on financial institutions	33	0	2	31
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	121	0	106	15
Interest income from loans	7 776	32	5 915	1 829
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>2 572</b>	<b>21</b>	<b>1 431</b>	<b>1 120</b>
Interest expenditure on deposits of financial institutions	65	11	16	38
Interest expenditure on deposits of nonfinancial institutions and other customers	233	10	66	157
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	1 917	0	1 349	568
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	357	0	0	357
Interest expenditure on other liabilities	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>5 358</b>	<b>11</b>	<b>4 592</b>	<b>755</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	1 869			
Reintegrated provisions	421			
Credit provisions, net	1 448			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>14</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>1 180</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>1 690</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>3 414</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>167</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>489</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>3 092</b>			

Balance Sheets and Income Statements of Individual Commercial Banks

**BULGARIAN-AMERICAN CREDIT BANK****STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Resolution of the BNB Managing Board of 11 July 1996; updated in accordance with the Law on Banks by BNB Order No. 100-000476 of 30 December 1999
<b>Legal registration</b>	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
<b>Address of the head office</b>	16 Krakra Str., Sofia 1000 tel. 02/965 83 58 e-mail: bacb@baefinvest.com
<b>Management</b>	The Bank is managed and represented jointly by each two of the executive directors: Franc Luis Bauer, Stoyan Nikolov Dinchiyski and Dimitar Stoyanov Vuchev, or by any of the executive directors and the procurator Thomas Michael Higgins.
<b>Board of Directors</b>	Franc Luis Bauer  Stephen William Fillo  Thomas Michael Higgins  Dimitar Stoyanov Vuchev  Michael Hunsberger  Dennis Earl Fiehler  Marshal Lee Miller  Stoyan Nikolov Dinchiyski
<b>Shareholders</b> (shares over 10%)	Bulgarian-American Investment Fund – 99.9%



## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	60 270	26 784	4 798	28 688
Claims on financial institutions, net	117 117	43 596	20 161	53 360
Claims under repurchase agreements	30 976	24 562	3 296	3 118
Trading portfolio	84 403	29 844	25 186	29 373
Investment portfolio	74 353	9 409	46 134	18 810
Loans to nonfinancial institutions and other customers, net	571 367	291 240	238 952	41 175
Loans to budget	0	0	0	0
Commercial loans	427 155	201 244	186 939	38 972
Commercial real estate and construction loans	46 040	12 032	16 885	17 123
Other commercial loans	381 115	189 212	170 054	21 849
Agricultural loans	2 552	2 552	0	0
Consumer loans	71 596	69 764	1 691	141
Housing mortgage loans to individuals	34 618	26 439	7 231	948
Other loans	56 385	8 641	46 482	1 262
Loans to nonfinancial institutions and other customers, total	592 306	308 640	242 343	41 323
Less: specific provisions	20 939	17 400	3 391	148
Assets for resale	1 143	1 143	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	11 783	6 150	1 352	4 281
Intangible assets	6 615	6 615	0	0
Premises and other fixed assets	13 665	13 665	0	0
Assets, total	971 692	453 008	339 879	178 805
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	111 102	35 543	49 021	26 538
Demand deposits of banks	3 753	1 155	250	2 348
Time deposits of banks	75 495	18 001	35 319	22 175
Deposits of other financial institutions	31 854	16 387	13 452	2 015
Deposits of nonfinancial institutions and other customers	669 543	352 484	143 289	173 770
Demand deposits	199 149	150 510	31 043	17 596
Time deposits	302 072	138 930	67 479	95 663
Savings deposits	168 322	63 044	44 767	60 511
Deposits, total	780 645	388 027	192 310	200 308
Borrowings under repurchase agreements	10 526	6 612	3 914	0
Short-term borrowings	0	0	0	0
Long-term borrowings	61 544	12 309	49 235	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	29 584	13 981	1 087	14 516
Liabilities, total	882 299	420 929	246 546	214 824
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	89 393	89 393		
Shareholder capital	51 250	51 250		
Reserves	35 332	35 332		
Profit/loss, current year	2 811	2 811		
Liabilities, minority interest, and capital, total	971 692	510 322	246 546	214 824
Memo: credit substitutes and other off-balance sheet commitments	112 106	60 608	28 038	23 460

**INCOME STATEMENT**  
 (March 2004)

	Total	(BGN'000)		
		Including		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>14 102</b>	<b>7 999</b>	<b>5 007</b>	<b>1 096</b>
Interest income from claims on financial institutions	507	238	117	152
Interest income from claims under repurchase agreements	196	135	44	17
Interest income from trading portfolio	887	481	295	111
Interest income from investment portfolio	1 075	127	790	158
Interest income from loans	11 437	7 018	3 761	658
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>4 146</b>	<b>2 238</b>	<b>1 352</b>	<b>556</b>
Interest expenditure on deposits of financial institutions	766	214	320	232
Interest expenditure on deposits of nonfinancial institutions and other customers	2 547	1 781	442	324
Interest expenditure on borrowings under repurchase agreements	21	16	5	0
Interest expenditure on borrowings	811	227	584	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	1	0	1	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>9 956</b>	<b>5 761</b>	<b>3 655</b>	<b>540</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	3 696			
Reintegrated provisions	2 355			
Credit provisions, net	1 341			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>2 006</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>337</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>4 433</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>11 141</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>4 250</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-757</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>-1</b>			
<b>TAX</b>	<b>681</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>2 811</b>			

## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

**License granted by the BNB** Resolution No. 21 of 14 March 1991 and No.104 of 31 March 1992 of the BNB Managing Board; 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. 414, vol. 4, p. 91

**Address of the head office** 1 Bulgaria Sq., Sofia 1414  
tel. 02/963 20 96; 963 21 04; 963 21 05  
Website: www.postbank.bg

### Management

**Supervisory Board**

Andreas Vasiliu – Chairman

George Gondicas – Deputy Chairman

Bruce Dozier

David Watson

Andrew Stone

**Management Board**

Panagiotis Varelas – Chief Executive Director

Theodore Karakassis – Deputy Chairman and Executive Director

Athanassios Dionissios Petropoulos – Executive Director

Daniela Filipova Hubeva–Chesnovska

Anastassios Omiridis

Asen Vasilev Yagodin

Borislav Ivanov Moyanov

### Shareholders (shares over 10%)

ALIKO/CEN Balkan Holdings Limited – 91.71%



# CENTRAL COOPERATIVE BANK

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

(BGN 000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	31 640	14 078	5 390	12 172
Claims on financial institutions, net	117 038	17 396	65 817	33 825
Claims under repurchase agreements	4 459	2 501	1 958	0
Trading portfolio	35 512	28 387	7 125	0
Investment portfolio	4 072	4 072	0	0
Loans to nonfinancial institutions and other customers, net	186 079	134 325	35 247	16 507
Loans to budget	0	0	0	0
Commercial loans	154 029	106 617	30 625	16 787
Commercial real estate and construction loans	14 340	9 883	3 164	1 293
Other commercial loans	139 689	96 734	27 461	15 494
Agricultural loans	17 702	13 312	4 390	0
Consumer loans	14 391	14 391	0	0
Housing mortgage loans to individuals	680	307	284	89
Other loans	2 589	2 003	434	152
Loans to nonfinancial institutions and other customers, total	189 391	136 630	35 733	17 028
Less: specific provisions	3 312	2 305	486	521
Assets for resale	757	757	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	14 897	8 522	395	5 980
Intangible assets	2 079	2 079	0	0
Premises and other fixed assets	16 428	16 428	0	0
Assets, total	412 961	228 545	115 932	68 484
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	27 054	7 401	19 397	256
Demand deposits of banks	9 356	55	9 199	102
Time deposits of banks	15 198	5 005	10 193	0
Deposits of other financial institutions	2 500	2 341	5	154
Deposits of nonfinancial institutions and other customers	286 373	150 902	80 524	54 947
Demand deposits	85 370	71 979	7 093	6 298
Time deposits	180 438	68 575	68 915	42 948
Savings deposits	20 565	10 348	4 516	5 701
Deposits, total	313 427	158 303	99 921	55 203
Borrowings under repurchase agreements	14 357	14 357	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	15 275	15 275	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	31 525	14 715	4 750	12 060
Liabilities, total	374 584	202 650	104 671	67 263
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	38 377	38 377		
Shareholder capital	16 170	16 170		
Reserves	21 077	21 077		
Profit/loss, current year	1 130	1 130		
Liabilities, minority interest, and capital, total	412 961	241 027	104 671	67 263
Memo: credit substitutes and other off-balance sheet commitments	61 069	47 971	5 054	8 044



# CENTRAL COOPERATIVE BANK



## INCOME STATEMENT

(March 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>6 248</b>	<b>4 034</b>	<b>1 416</b>	<b>798</b>
Interest income from claims on financial institutions	389	57	230	102
Interest income from claims under repurchase agreements	21	19	2	0
Interest income from trading portfolio	504	366	134	4
Interest income from investment portfolio	0	0	0	0
Interest income from loans	5 334	3 592	1 050	692
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>2 384</b>	<b>1 001</b>	<b>836</b>	<b>547</b>
Interest expenditure on deposits of financial institutions	146	67	79	0
Interest expenditure on deposits of nonfinancial institutions and other customers	1 702	628	723	351
Interest expenditure on borrowings under repurchase agreements	157	157	0	0
Interest expenditure on borrowings	149	149	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	230	0	34	196
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>3 864</b>	<b>3 033</b>	<b>580</b>	<b>251</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	934			
Reintegrated provisions	511			
Credit provisions, net	423			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>427</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>3 384</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>5 920</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>1 332</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>151</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>353</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>1 130</b>			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Resolution No. 14 of 25 February 1991 of the BNB Managing Board. Updated by Order No. 100-00493 of the BNB Governor dated 17 November 1999
<b>Legal registration</b>	Resolution of the Sofia City Court of 28 March 1991 on company file No. 5227 of 1991, lot No. 334, vol. 4, p. 11
<b>Address of the head office</b>	103 Rakovski Str., Sofia 1000 tel. 02/926 62 66 Website: www.ccbank.bg
<b>Management</b>	
Supervisory Board	<p>Pancho Ivanov Panchev – Chairman</p> <p>Chimimport, represented by Dimitar Atanasov Kalchev and Nikola Peev Mishev</p> <p>Armeets Insurance Company, represented by Roumen Roumenov Georgiev</p> <p>Danail Lazarov Danailov</p> <p>Bozhidar Ivanov Grigorov</p>
Management Board	<p>Alexander Asenov Vodenicharov – Chairman</p> <p>Georgi Dimitrov Konstantinov – Executive Director</p> <p>Borislav Yavorov Chilikov – Executive Director</p> <p>Alexander Dimitrov Kerezov</p> <p>Tsvetan Tsankov Botev</p> <p>Biser Yordanov Slavkov</p>
Procurator	Tihomir Angelov Atanasov
<b>Shareholders</b> (shares over 10%)	<p>Chimimport – 39.70%</p> <p>Central Cooperative Union – 23.44%</p>

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Related parties	(BGN 000)			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	11 787	0	11 787	2 669	162	8 956
Claims on financial institutions, net	118 901	85 883	33 018	19 066	11 009	2 943
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	31	17	14	0	14	0
Investment portfolio	0	0	0	0	0	0
Loans to nonfinancial institutions and other customers, net	73 505	0	73 505	29 499	38 985	5 021
Loans to budget	0	0	0	0	0	0
Commercial loans	77 399	0	77 399	30 406	41 968	5 025
Commercial real estate and construction loans	15 647	0	15 647	0	15 647	0
Other commercial loans	61 752	0	61 752	30 406	26 321	5 025
Agricultural loans	0	0	0	0	0	0
Consumer loans	110	0	110	110	0	0
Housing mortgage loans to individuals	566	0	566	566	0	0
Other loans	30	0	30	1	0	29
Loans to nonfinancial institutions and other customers, total	78 105	0	78 105	31 083	41 968	5 054
Less: specific provisions	4 600	0	4 600	1 584	2 983	33
Assets for resale	0	0	0	0	0	0
Other assets, net	2 050	2	2 048	908	129	1 011
Intangible assets	354	0	354	354	0	0
Premises and other fixed assets	655	0	655	655	0	0
Assets, total	207 283	85 902	121 381	53 151	50 299	17 931
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	78 377	7 921	70 456	17 746	11 235	41 475
Demand deposits of banks	446	46	400	0	0	400
Time deposits of banks	73 998	7 875	66 123	16 502	9 780	39 841
Deposits of other financial institutions	3 933	0	3 933	1 244	1 455	1 234
Deposits of nonfinancial institutions and other customers	121 361	0	121 361	32 511	75 700	13 150
Demand deposits	95 146	0	95 146	26 156	59 246	9 744
Time deposits	26 215	0	26 215	6 355	16 454	3 406
Savings deposits	0	0	0	0	0	0
Deposits, total	199 738	7 921	191 817	50 257	86 935	54 625
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	39	39	0	0	0	0
Other liabilities	8 092	5 021	3 071	1 653	207	1 211
Liabilities, total	207 869	12 981	194 888	51 910	87 142	55 836
Reserves and financial result, total	-586	-2 074	1 488	1 488		
Reserves	-2 074	-2 074	0	0		
Profit/loss, current year	1 488	0	1 488	1 488		
Liabilities, reserves, and financial result, total	207 283	10 907	196 376	53 398	87 142	55 836
Memo: credit substitutes and other off-balance sheet commitments	115 616	117	115 499	42 393	31 024	42 082

# INCOME STATEMENT

(March 2004)

	Total	Related parties	(BGN'000)			
			Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>1 358</b>	<b>237</b>	<b>1 121</b>	<b>547</b>	<b>459</b>	<b>115</b>
Interest income from claims on financial institutions	280	237	43	14	26	3
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	49	0	49	0	49	0
Interest income from investment portfolio	139	0	139	33	106	0
Interest income from loans	890	0	890	500	278	112
Dividend income	0	0	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>479</b>	<b>42</b>	<b>437</b>	<b>122</b>	<b>274</b>	<b>41</b>
Interest expenditure on deposits of financial institutions	119	41	78	61	10	7
Interest expenditure on deposits of nonfinancial institutions and other customers	356	0	356	58	264	34
Interest expenditure on borrowings under repurchase agreements	3	0	3	3	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	1	1	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>879</b>	<b>195</b>	<b>684</b>	<b>425</b>	<b>185</b>	<b>74</b>
<b>CREDIT PROVISIONS</b>						
Accrued provisions	2 360	0	2 360			
Reintegrated provisions	3 755	0	3 755			
Credit provisions, net	-1 395	0	-1 395			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>87</b>	<b>4</b>	<b>83</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>17</b>	<b>0</b>	<b>17</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>850</b>	<b>1</b>	<b>849</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>1 426</b>	<b>73</b>	<b>1 353</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>1 802</b>	<b>127</b>	<b>1 675</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>56</b>	<b>0</b>	<b>56</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>TAX</b>	<b>370</b>	<b>0</b>	<b>370</b>			
<b>PROFIT/LOSS, NET</b>	<b>1 488</b>	<b>127</b>	<b>1 361</b>			





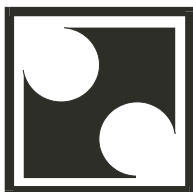
## CITIBANK N. A., SOFIA BRANCH

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Balance Sheets and Income Statements of Individual Commercial Banks

### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Order No. RD 22-319 of 22 June 2000 and Order No. RD 22-319 of 11 December 2000
<b>Legal registration</b>	Entered under No. 57 183, vol. 627, reg. I, p. 132 on company file No. 8611 of the Sofia City Court of 2000
<b>Address of the branch</b>	2 Knyaginya Maria-Luiza Blvd., floor 5, Sofia 1000 tel. 02/917 51 00; 917 51 01; 917 51 02
<b>Management</b>	
Management Board	Plamen Spasov Ilchev – Country Corporate Officer  Janet Hekman – Corporate Bank Head
<b>Shareholders</b> (shares over 10%)	
Branch of Citibank N. A., New York, the USA	



# CORPORATE COMMERCIAL BANK

Commercial Banks in Bulgaria

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	105 812	22 181	50 399	33 232
Claims on financial institutions, net	54 284	29 792	7 818	16 674
Claims under repurchase agreements	0	0	0	0
Trading portfolio	50 397	30 591	19 753	53
Investment portfolio	1 100	1 097	3	0
Loans to nonfinancial institutions and other customers, net	143 560	70 790	32 491	40 279
Loans to budget	0	0	0	0
Commercial loans	132 722	63 326	29 995	39 401
Commercial real estate and construction loans	32 304	23 516	6 330	2 458
Other commercial loans	100 418	39 810	23 665	36 943
Agricultural loans	4 229	4 229	0	0
Consumer loans	1 195	1 142	23	30
Housing mortgage loans to individuals	3 712	127	2 737	848
Other loans	3 002	3 002	0	0
Loans to nonfinancial institutions and other customers, total	144 860	71 826	32 755	40 279
Less: specific provisions	1 300	1 036	264	0
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	5	5	0	0
Other assets, net	1 578	1 574	1	3
Intangible assets	413	413	0	0
Premises and other fixed assets	7 254	7 254	0	0
Assets, total	364 403	163 697	110 465	90 241
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	29 781	21 606	7 670	505
Demand deposits of banks	17 378	15 162	2 131	85
Time deposits of banks	3 912	0	3 912	0
Deposits of other financial institutions	8 491	6 444	1 627	420
Deposits of nonfinancial institutions and other customers	311 139	152 581	69 474	89 084
Demand deposits	179 267	102 205	29 844	47 218
Time deposits	104 376	39 349	32 718	32 309
Savings deposits	27 496	11 027	6 912	9 557
Deposits, total	340 920	174 187	77 144	89 589
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	200	200	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	723	681	40	2
Liabilities, total	341 843	175 068	77 184	89 591
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	22 560	22 560		
Shareholder capital	16 820	16 820		
Reserves	4 293	4 293		
Profit/loss, current year	1 447	1 447		
Liabilities, minority interest, and capital, total	364 403	197 628	77 184	89 591
Memo: credit substitutes and other off-balance sheet commitments	50 108	28 396	20 533	1 179



# CORPORATE COMMERCIAL BANK

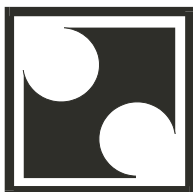
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Balance Sheets and Income Statements of Individual Commercial Banks

## INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>4 652</b>	<b>2 546</b>	<b>1 057</b>	<b>1 049</b>
Interest income from claims on financial institutions	443	221	120	102
Interest income from claims under repurchase agreements	1	1	0	0
Interest income from trading portfolio	526	343	182	1
Interest income from investment portfolio	22	22	0	0
Interest income from loans	3 660	1 959	755	946
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>1 786</b>	<b>1 003</b>	<b>439</b>	<b>344</b>
Interest expenditure on deposits of financial institutions	318	269	49	0
Interest expenditure on deposits of nonfinancial institutions and other customers	1 460	726	390	344
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	8	8	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>2 866</b>	<b>1 543</b>	<b>618</b>	<b>705</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	3			
Reintegrated provisions	130			
Credit provisions, net	-127			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>328</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>4</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>1 412</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>3 067</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>1 670</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>127</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>350</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>1 447</b>			



## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	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
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<b>Legal registration</b>	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.
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<b>Address of the head office</b>	10 Graf Ignatiev Str., Sofia 1000 tel. 02/980 93 62 Website: <a href="http://www.corpbank.bg">www.corpbank.bg</a>
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### Management

Supervisory Board	<p>Tsvetan Radoev Vasilev – Chairman</p> <p>Nikolai Ivanov Velkov – Deputy Chairman</p> <p>Zlatozar Krustev Surlekov</p> <p>Alipi Petrov Alipiev</p> <p>Rumen Marinov Lyutskanov</p>
Management Board	<p>Yanko Dimitrov Ivanov – Chairman and Executive Director</p> <p>Ilian Atanasov Zafirov – Executive Director</p> <p>Orlin Nikolov Rousev – Executive Director</p>

### Shareholders

(shares over 10%)

James Vincent Hoey – 18.57%
Bromak – 36.43% directly and jointly with Victoria Insurance Company (indirectly) – 46.43%
Yanko Dimitrov Ivanov – 19.99% directly and jointly with Victoria Insurance Company



# DEMIRBANK, BULGARIA

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Balance Sheets and Income Statements of Individual Commercial Banks

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	3 111	1 260	924	927
Claims on financial institutions, net	10 325	0	6 471	3 854
Claims under repurchase agreements	0	0	0	0
Trading portfolio	17 006	6 829	10 113	64
Investment portfolio	2 332	4	2 328	0
Loans to nonfinancial institutions and other customers, net	14 144	3 757	6 840	3 547
Loans to budget	0	0	0	0
Commercial loans	13 341	2 973	6 709	3 659
Commercial real estate and construction loans	319	189	130	0
Other commercial loans	13 022	2 784	6 579	3 659
Agricultural loans	0	0	0	0
Consumer loans	1 292	843	228	221
Housing mortgage loans to individuals	0	0	0	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	14 633	3 816	6 937	3 880
Less: specific provisions	489	59	97	333
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 142	1 106	12	24
Intangible assets	120	120	0	0
Premises and other fixed assets	1 682	1 682	0	0
Assets, total	49 862	14 758	26 688	8 416
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	6 406	1 793	3 617	996
Demand deposits of banks	39	0	12	27
Time deposits of banks	5 383	1 000	3 423	960
Deposits of other financial institutions	984	793	182	9
Deposits of nonfinancial institutions and other customers	18 214	5 711	7 292	5 211
Demand deposits	8 451	3 496	2 738	2 217
Time deposits	8 927	1 778	4 384	2 765
Savings deposits	836	437	170	229
Deposits, total	24 620	7 504	10 909	6 207
Borrowings under repurchase agreements	6 295	3 708	587	2 000
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	481	100	34	347
Liabilities, total	31 396	11 312	11 530	8 554
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	18 466	18 466		
Shareholder capital	20 000	20 000		
Reserves	-2 025	-2 025		
Profit/loss, current year	491	491		
Liabilities, minority interest, and capital, total	49 862	29 778	11 530	8 554
Memo: credit substitutes and other off-balance sheet commitments	5 210	1 892	2 125	1 193



**INCOME STATEMENT**  
(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>720</b>	<b>201</b>	<b>396</b>	<b>123</b>
Interest income from claims on financial institutions	163	0	100	63
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	232	86	146	0
Interest income from investment portfolio	25	0	25	0
Interest income from loans	300	115	125	60
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>134</b>	<b>37</b>	<b>73</b>	<b>24</b>
Interest expenditure on deposits of financial institutions	58	27	26	5
Interest expenditure on deposits of nonfinancial institutions and other customers	76	10	47	19
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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>586</b>	<b>164</b>	<b>323</b>	<b>99</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	1 486			
Reintegrated provisions	1 747			
Credit provisions, net	-261			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>424</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>2</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>314</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>1 076</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>511</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>5</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>-25</b>			
<b>TAX</b>	<b>0</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>491</b>			



## DEMIRBANK, BULGARIA



### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	No. 100-000101 of 12 March 1999
<b>Legal registration</b>	Resolution No. 1 of the Sofia City Court dated 15 April 1999, company file No. 3936 of 1999
<b>Address of the head office</b>	8 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/989 44 44 Website: <a href="http://www.demirbank.bg">www.demirbank.bg</a>
<b>Management</b>	
Supervisory Board	Tayfun Bayazit – Chairman
	Huseyin Faik Acikalin
	Ismail Hasan Akchakayaluoglu
	Imre Barmanbek
	Mevlyut Tyufan Darbaz
Management Board	Haluk Zia Kurcher – Chief Executive Director
	Rafi Karagiol – Executive Director
<b>Shareholders</b> (shares over 10%)	
Isil Dogan, Permit No. 22-700 of 18 December 2001 – 50%	
Halit Djangalluoglu, Permit No. 22-701 of 18 December 2001 – 50%	



## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	222 107	160 400	12 971	48 736
Claims on financial institutions, net	252 118	6	154 352	97 760
Claims under repurchase agreements	13 394	13 394	0	0
Trading portfolio	117 974	56 206	40 291	21 477
Investment portfolio	428 706	196 012	166 182	66 512
Loans to nonfinancial institutions and other customers, net	1 373 574	1 284 877	80 871	7 826
Loans to budget	591	591	0	0
Commercial loans	287 591	199 007	81 133	7 451
Commercial real estate and construction loans	43 647	30 122	13 482	43
Other commercial loans	243 944	168 885	67 651	7 408
Agricultural loans	5 525	5 346	179	0
Consumer loans	927 216	926 316	776	124
Housing mortgage loans to individuals	185 244	183 001	1 852	391
Other loans	2 569	2 505	29	35
Loans to nonfinancial institutions and other customers, total	1 408 736	1 316 766	83 969	8 001
Less: specific provisions	35 162	31 889	3 098	175
Assets for resale	237	237	0	0
Investments in unconsolidated subsidiaries and associated companies	19143	19143	0	0
Other assets, net	10 915	10 785	10	120
Intangible assets	4 902	4 902	0	0
Premises and other fixed assets	126 180	126 180	0	0
Assets, total	2 569 250	1 872 142	454 677	242 431
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	53 768	36 161	17 606	1
Demand deposits of banks	91	91	0	0
Time deposits of banks	40 754	23 152	17 602	0
Deposits of other financial institutions	12 923	12 918	4	1
Deposits of nonfinancial institutions and other customers	2 148 110	1 693 084	229 430	225 596
Demand deposits	301 219	289 973	8 194	3 052
Time deposits	1 137 316	806 931	158 928	171 457
Savings deposits	709 575	596 180	62 308	51 087
Deposits, total	2 201 878	1 729 245	247 036	225 597
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	39 593	33 977	4 878	738
Liabilities, total	2 241 471	1 763 222	251 914	226 335
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	327 779	327 779		
Shareholder capital	93 984	93 984		
Reserves	213 797	213 797		
Profit/loss, current year	19 998	19 998		
Liabilities, minority interest, and capital, total	2 569 250	2 091 001	251 914	226 335
Memo: credit substitutes and other off-balance sheet commitments	77 530	42 325	33 309	1 896



## INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>52 978</b>	<b>46 760</b>	<b>5 030</b>	<b>1 188</b>
Interest income from claims on financial institutions	1 339	102	889	348
Interest income from claims under repurchase agreements	18	18	0	0
Interest income from trading portfolio	1 373	758	497	118
Interest income from investment portfolio	5 577	2 648	2 270	659
Interest income from loans	44 671	43 234	1 374	63
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>11 580</b>	<b>10 143</b>	<b>917</b>	<b>520</b>
Interest expenditure on deposits of financial institutions	58	54	4	0
Interest expenditure on deposits of nonfinancial institutions and other customers	11 522	10 089	913	520
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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>41 398</b>	<b>36 617</b>	<b>4 113</b>	<b>668</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	13 287			
Reintegrated provisions	13 856			
Credit provisions, net	-569			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>3 085</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>-78</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>57</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>7 887</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>27 877</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>25 041</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-196</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>4 847</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>19 998</b>			



## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	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 (State Gazette, 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 AD reflecting its legal status: sole equity proprietorship company, named DSK Bank, EAD.
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<b>Legal registration</b>	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
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<b>Address of the head office</b>	19 Moskovska Str., Sofia 1000 tel. 02/939 12 20 Website: <a href="http://www.dskbank.bg">www.dskbank.bg</a>
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### Management

Supervisory Board	Sándor Csányi – Chairman  Zoltán Spéder – Deputy Chairman  László Wolf – Deputy Chairman  Gyula Pap <sup>1</sup>
Management Board	Krasimir Totev Angarski – Chairman, Chief Executive Director  Diana Decheva Miteva – Executive Director  Georgi Dinev Zhelev – Executive Director  Stoyan Ivanov Penkov  Miroslav Stanimirov Vichev – Procurator
Procurators	Nikolai Ivanov Marev

### Shareholders (shares over 10%)

OTP PT Bank, Budapest – 100%

<sup>1</sup> By Letter No. 1734-0457 of 27 April 2004 DSK Bank informed the BNB that Mr. Gyula Pap was elected member of the Bank Supervisory Board at the annual meeting of DSK Bank sole equity proprietor on 21 April 2004. Entry of this change in the Commercial Register is pending. The Supervisory Board of the Bank removed from office Mrs. Violina Marinova Spasova at the meeting held on 21 April 2004. This change will be entered in the Commercial Register.

**BALANCE SHEET AS OF 31 MARCH 2004**

(BGN'000)

(BGN 000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	55 950	33 671	4 915	17 364
Claims on financial institutions, net	136 298	29 625	35 445	71 228
Claims under repurchase agreements	1 238	0	0	1 238
Trading portfolio	103 430	42 607	14 059	46 764
Investment portfolio	54 912	24 112	3	30 797
Loans to nonfinancial institutions and other customers, net	204 678	130 615	48 738	25 325
Loans to budget	0	0	0	0
Commercial loans	162 079	99 798	43 589	18 692
Commercial real estate and construction loans	19 977	6 246	12 806	925
Other commercial loans	142 102	93 552	30 783	17 767
Agricultural loans	26	26	0	0
Consumer loans	13 149	12 954	139	56
Housing mortgage loans to individuals	2 230	184	1 750	296
Other loans	59 172	45 240	5 708	8 224
Loans to nonfinancial institutions and other customers, total	236 656	158 202	51 186	27 268
Less: specific provisions	31 978	27 587	2 448	1 943
Assets for resale	3 158	3 158	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	16 633	13 900	1 386	1 347
Intangible assets	267	267	0	0
Premises and other fixed assets	22 812	22 812	0	0
Assets, total	599 376	300 767	104 546	194 063
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	130 857	88 812	38 004	4 041
Demand deposits of banks	51 561	51 344	67	150
Time deposits of banks	50 222	20 000	30 222	0
Deposits of other financial institutions	29 074	17 468	7 715	3 891
Deposits of nonfinancial institutions and other customers	368 678	98 399	108 022	162 257
Demand deposits	103 834	80 478	7 609	15 747
Time deposits	246 882	10 909	94 874	141 099
Savings deposits	17 962	7 012	5 539	5 411
Deposits, total	499 535	187 211	146 026	166 298
Borrowings under repurchase agreements	9 010	9 010	0	0
Short-term borrowings	25 708	0	0	25 708
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	8 174	7 595	264	315
Liabilities, total	542 427	203 816	146 290	192 321
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	56 949	56 949		
Shareholder capital	35 000	35 000		
Reserves	19 085	19 085		
Profit/loss, current year	2 864	2 864		
Liabilities, minority interest, and capital, total	599 376	260 765	146 290	192 321
Memo: credit substitutes and other off-balance sheet commitments	18 687	15 733	2 558	396

**INCOME STATEMENT**  
(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>8 121</b>	<b>4 164</b>	<b>1 474</b>	<b>2 483</b>
Interest income from claims on financial institutions	463	180	121	162
Interest income from claims under repurchase agreements	18	13	0	5
Interest income from trading portfolio	1 548	677	183	688
Interest income from investment portfolio	889	0	0	889
Interest income from loans	5 203	3 294	1 170	739
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>4 700</b>	<b>523</b>	<b>1 716</b>	<b>2 461</b>
Interest expenditure on deposits of financial institutions	447	197	201	49
Interest expenditure on deposits of nonfinancial institutions and other customers	4 084	286	1 502	2 296
Interest expenditure on borrowings under repurchase agreements	47	34	13	0
Interest expenditure on borrowings	122	6	0	116
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>3 421</b>	<b>3 641</b>	<b>-242</b>	<b>22</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	453			
Reintegrated provisions	932			
Credit provisions, net	-479			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 699</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>-108</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>2 737</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>4 970</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>3 258</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>272</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>28</b>			
<b>TAX</b>	<b>694</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>2 864</b>			

## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Resolution No. 26 of 27 January 1995; the bank was renamed by Order No. RD22-482 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.
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<b>Legal registration</b>	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
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<b>Address of the head office</b>	11A Saborna Str., Sofia 1000 tel. 02/9399 111; 9399 240 Website: www.eibank.bg
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### Management

Supervisory Board	Tsvetelina Borislavova Karagiozova – Chairman
	Valentina Radkova Ivanova – Deputy Chairman
	Asen Lyubenov Naidenov
Management Board	Vasil Stefanov Simov – Chairman and Executive Director
	Danail Mihailov Kamenov – Executive Director
	Anton Nikolaev Andonov
	Yordan Dimitrov Yordanov
	Vladimir Trifonov Penchev

### Shareholders (shares over 10%)

Refco Capital Markets Ltd. – 10%

Katex AD – 21.14% directly, and together with related parties Runo-Kazanlak AD and Tsvetelina B. Karagiozova – 26.22% with paid-in capital of BGN 35 million under a procedure of capital increase in the amount of BGN 40 million.

Tsvetelina Borislavova Karagiozova – 26.22% directly, and indirectly – through Katex AD and related Runo-Kazanlak AD – with paid-in capital of BGN 35 million under a procedure of capital increase in the amount of BGN 40 million.

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	3 484	1 153	637	1 694
Claims on financial institutions, net	2 481	39	210	2 232
Claims under repurchase agreements	0	0	0	0
Trading portfolio	317	0	317	0
Investment portfolio	844	61	655	128
Loans to nonfinancial institutions and other customers, net	75 461	4 466	69 953	1 042
Loans to budget	0	0	0	0
Commercial loans	78 766	4 487	73 237	1 042
Commercial real estate and construction loans	18 501	0	18 501	0
Other commercial loans	60 265	4 487	54 736	1 042
Agricultural loans	106	106	0	0
Consumer loans	64	64	0	0
Housing mortgage loans to individuals	918	0	918	0
Other loans	38	0	38	0
Loans to nonfinancial institutions and other customers, total	79 892	4 657	74 193	1 042
Less: specific provisions	4 431	191	4 240	0
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	197	159	34	4
Intangible assets	75	75	0	0
Premises and other fixed assets	5 233	5 233	0	0
Assets, total	88 092	11 186	71 806	5 100
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	31 668	2 443	26 756	2 469
Demand deposits of banks	0	0	0	0
Time deposits of banks	25 800	1 000	22 452	2 348
Deposits of other financial institutions	5 868	1 443	4 304	121
Deposits of nonfinancial institutions and other customers	12 348	5 719	4 308	2 321
Demand deposits	7 793	4 674	2 453	666
Time deposits	4 555	1 045	1 855	1 655
Savings deposits	0	0	0	0
Deposits, total	44 016	8 162	31 064	4 790
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	19 606	0	19 606	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	1 852	426	1 160	266
Liabilities, total	65 474	8 588	51 830	5 056
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	22 618	22 618		
Shareholder capital	17 852	17 852		
Reserves	4 450	4 450		
Profit/loss, current year	316	316		
Liabilities, minority interest, and capital, total	88 092	31 206	51 830	5 056
Memo: credit substitutes and other off-balance sheet commitments	16 419	1 506	14 354	559

\* Former Commercial Bank of Greece – Bulgaria.

**INCOME STATEMENT**

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>1 215</b>	<b>86</b>	<b>1 092</b>	<b>37</b>
Interest income from claims on financial institutions	16	0	8	8
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	5	0	5	0
Interest income from investment portfolio	10	0	10	0
Interest income from loans	1 184	86	1 069	29
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>348</b>	<b>60</b>	<b>272</b>	<b>16</b>
Interest expenditure on deposits of financial institutions	172	36	131	5
Interest expenditure on deposits of nonfinancial institutions and other customers	53	24	18	11
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	123	0	123	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>867</b>	<b>26</b>	<b>820</b>	<b>21</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	586			
Reintegrated provisions	639			
Credit provisions, net	-53			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>4</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>9</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>383</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>926</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION,</b>				
<b>EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>390</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>23</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>97</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>316</b>			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	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.
<b>Legal registration</b>	Resolution No. 1 of the Sofia City Court of 28 November 1994, company file No. 21376 of 1994, lot No. 20768, vol. 253, p. 168.
<b>Address of the head office</b>	4 Laiosh Koshut Str., Sofia 1606 tel. 02/917 17 17
<b>Management</b>	
Board of Directors	Ioannis Emanuil Sopasakis – Chairman
	Spiridon Constantinos Coskinas – Deputy Chairman
	Georgios Vassilios Tzamos – Chief Executive Director
	Dimitrios Constantinos Kontos – Executive Director
	Dimitrios Moschos
<b>Shareholders</b> (shares over 10%)	
	Commercial Bank of Greece, Athens – 100%





# ENCOURAGEMENT BANK

103

Balance Sheets and Income Statements of Individual Commercial Banks

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	234	175	53	6
Claims on financial institutions, net	6 576	2 106	4 157	313
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	24 857	15 852	9 005	0
Loans to nonfinancial institutions and other customers, net	43 235	14 081	29 154	0
Loans to budget	0	0	0	0
Commercial loans	43 873	12 830	31 043	0
Commercial real estate and construction loans	39 500	9 040	30 460	0
Other commercial loans	4 373	3 790	583	0
Agricultural loans	2 287	2 287	0	0
Consumer loans	98	98	0	0
Housing mortgage loans to individuals	0	0	0	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	46 258	15 215	31 043	0
Less: specific provisions	3 023	1 134	1 889	0
Assets for resale	172	172	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	592	458	134	0
Intangible assets	234	234	0	0
Premises and other fixed assets	1 987	1 987	0	0
Assets, total	77 887	35 065	42 503	319
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	496	479	17	0
Demand deposits of banks	305	305	0	0
Time deposits of banks	100	100	0	0
Deposits of other financial institutions	91	74	17	0
Deposits of nonfinancial institutions and other customers	1 403	794	319	290
Demand deposits	1 178	669	237	272
Time deposits	162	62	82	18
Savings deposits	63	63	0	0
Deposits, total	1 899	1 273	336	290
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	40 925	4 552	36 373	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	449	419	30	0
Liabilities, total	43 273	6 244	36 739	290
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	34 614	34 614		
Shareholder capital	29 574	29 574		
Reserves	4 362	4 362		
Profit/loss, current year	678	678		
Liabilities, minority interest, and capital, total	77 887	40 858	36 739	290
Memo: credit substitutes and other off-balance sheet commitments	14 975	5 305	9 670	0



## INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>1 745</b>	<b>722</b>	<b>1 023</b>	<b>0</b>
Interest income from claims on financial institutions	22	4	18	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	289	245	44	0
Interest income from loans	1 434	473	961	0
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>218</b>	<b>9</b>	<b>209</b>	<b>0</b>
Interest expenditure on deposits of financial institutions	0	0	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	2	1	1	0
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	216	8	208	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>1 527</b>	<b>713</b>	<b>814</b>	<b>0</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	509			
Reintegrated provisions	419			
Credit provisions, net	90			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>-3</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>109</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>703</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>840</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>2</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>164</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>678</b>			



## ENCOURAGEMENT BANK

105

Balance Sheets and Income Statements of Individual Commercial Banks

### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

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



EVROBANK

106

Commercial Banks in Bulgaria

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	23 103	10 186	3 118	9 799
Claims on financial institutions, net	50 022	3 160	7 892	38 970
Claims under repurchase agreements	301	301	0	0
Trading portfolio	50 813	21 813	8 057	20 943
Investment portfolio	819	816	3	0
Loans to nonfinancial institutions and other customers, net	174 067	100 004	47 856	26 207
Loans to budget	0	0	0	0
Commercial loans	151 583	78 737	46 385	26 461
Commercial real estate and construction loans	59 617	29 152	26 261	4 204
Other commercial loans	91 966	49 585	20 124	22 257
Agricultural loans	6 708	5 371	1 337	0
Consumer loans	18 267	18 135	122	10
Housing mortgage loans to individuals	1 774	1 022	696	56
Other loans	326	193	55	78
Loans to nonfinancial institutions and other customers, total	178 658	103 458	48 595	26 605
Less: specific provisions	4 591	3 454	739	398
Assets for resale	384	384	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	3 536	3 491	10	35
Intangible assets	131	131	0	0
Premises and other fixed assets	10 749	10 749	0	0
Assets, total	313 925	151 035	66 936	95 954
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	11 747	4 772	6 929	46
Demand deposits of banks	0	0	0	0
Time deposits of banks	8 928	2 038	6 890	0
Deposits of other financial institutions	2 819	2 734	39	46
Deposits of nonfinancial institutions and other customers	244 812	95 048	52 461	97 303
Demand deposits	63 322	41 975	11 002	10 345
Time deposits	181 490	53 073	41 459	86 958
Savings deposits	0	0	0	0
Deposits, total	256 559	99 820	59 390	97 349
Borrowings under repurchase agreements	11 825	11 825	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	15 302	11 339	3 963	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	8 165	4 272	2 832	1 061
Liabilities, total	291 851	127 256	66 185	98 410
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	22 074	22 074		
Shareholder capital	15 000	15 000		
Reserves	5 062	5 062		
Profit/loss, current year	2 012	2 012		
Liabilities, minority interest, and capital, total	313 925	149 330	66 185	98 410
Memo: credit substitutes and other off-balance sheet commitments	53 878	45 458	5 898	2 522



**INCOME STATEMENT**  
(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>5 644</b>	<b>3 278</b>	<b>1 541</b>	<b>825</b>
Interest income from claims on financial institutions	134	8	27	99
Interest income from claims under repurchase agreements	6	6	0	0
Interest income from trading portfolio	573	341	100	132
Interest income from investment portfolio	0	0	0	0
Interest income from loans	4 931	2 923	1 414	594
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>2 492</b>	<b>990</b>	<b>552</b>	<b>950</b>
Interest expenditure on deposits of financial institutions	101	40	61	0
Interest expenditure on deposits of nonfinancial institutions and other customers	2 194	805	439	950
Interest expenditure on borrowings under repurchase agreements	118	118	0	0
Interest expenditure on borrowings	79	27	52	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>3 152</b>	<b>2 288</b>	<b>989</b>	<b>-125</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	1 504			
Reintegrated provisions	1 251			
Credit provisions, net	253			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 969</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>102</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>1 723</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>3 488</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>3 205</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-705</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>488</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>2 012</b>			



## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Protocol of Meeting of the BNB Managing Board 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
<b>Legal registration</b>	Company file No. 24013 of 1993 of the Sofia City Court, lot No. 15059, vol. 194, p. 174
<b>Address of the head office</b>	43 Cherni Vrah Blvd., Sofia 1407 tel. 02/969 07 60 Website: <a href="http://www.eurobank.bg">www.eurobank.bg</a>
<b>Management</b>	
Supervisory Board	<p>Mitko Vasilev Sabev -- Chairman</p> <p>Evrocapital – Bulgaria, represented by Toni Stefanov Rankov -- Deputy Chairman</p> <p>Mihail Petrov Mihailov</p> <p>Petrol Ltd, represented by Svetoslav Stefanov Yordanov</p> <p>Yurex Consult Ltd, represented by Mariana Alexandrova Danova</p>
Management Board	<p>Emil Angelov Angelov – Chairman</p> <p>Bisser Parashkevov Mitrikov – Deputy Chairman</p> <p>Anton Hristov Todorov</p> <p>Ivelina Yordanova Decheva</p> <p>Konstantin Angelov Yordanov</p> <p>Yuriy Asenov Stanchev</p>
Executive Members of the Management Board	<p>Emil Angelov Angelov</p> <p>Bisser Parashkevov Mitrikov</p>
<b>Shareholders</b> (shares over 10%)	<p>Evrocapital – Bulgaria: 85.35%</p>



# FIRST EAST INTERNATIONAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	13 173	7 847	2 073	3 253
Claims on financial institutions, net	10 702	8	2 800	7 894
Claims under repurchase agreements	0	0	0	0
Trading portfolio	16 121	11 792	2 523	1 806
Investment portfolio	1 561	1 559	2	0
Loans to nonfinancial institutions and other customers, net	100 887	77 601	13 473	9 813
Loans to budget	1 600	1 600	0	0
Commercial loans	74 040	48 211	12 492	13 337
Commercial real estate and construction loans	14 633	6 501	7 735	397
Other commercial loans	59 407	41 710	4 757	12 940
Agricultural loans	8 872	8 387	485	0
Consumer loans	1 251	1 146	34	71
Housing mortgage loans to individuals	275	273	0	2
Other loans	20 258	19 215	462	581
Loans to nonfinancial institutions and other customers, total	106 296	78 832	13 473	13 991
Less: specific provisions	5 409	1 231	0	4 178
Assets for resale	432	432	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	3 786	3 280	423	83
Intangible assets	183	183	0	0
Premises and other fixed assets	13 922	13 922	0	0
Assets, total	160 767	116 624	21 294	22 849
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	476	401	4	71
Demand deposits of banks	79	26	0	53
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	397	375	4	18
Deposits of nonfinancial institutions and other customers	99 588	54 679	20 253	24 656
Demand deposits	56 386	46 956	4 707	4 723
Time deposits	35 114	4 952	12 842	17 320
Savings deposits	8 088	2 771	2 704	2 613
Deposits, total	100 064	55 080	20 257	24 727
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	14 270	9 258	2 967	2 045
Long-term borrowings	10 181	10 181	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	10 600	3 772	5 686	1 142
Liabilities, total	135 115	78 291	28 910	27 914
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	25 652	25 652		
Shareholder capital	20 050	20 050		
Reserves	5 338	5 338		
Profit/loss, current year	264	264		
Liabilities, minority interest, and capital, total	160 767	103 943	28 910	27 914
Memo: credit substitutes and other off-balance sheet commitments	52 234	45 730	1 683	4 821



# FIRST EAST INTERNATIONAL BANK

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Commercial Banks in Bulgaria

## INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>2 596</b>	<b>2 001</b>	<b>371</b>	<b>224</b>
Interest income from claims on financial institutions	23	1	17	5
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	182	143	33	6
Interest income from investment portfolio	0	0	0	0
Interest income from loans	2 391	1 857	321	213
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>637</b>	<b>210</b>	<b>231</b>	<b>196</b>
Interest expenditure on deposits of financial institutions	0	0	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	557	172	208	177
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	80	38	23	19
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>1 959</b>	<b>1 791</b>	<b>140</b>	<b>28</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	2 005			
Reintegrated provisions	355			
Credit provisions, net	1 650			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>136</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>1 630</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>2 227</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>-152</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-70</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>486</b>			
<b>TAX</b>	<b>0</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>264</b>			





# FIRST EAST INTERNATIONAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Protocol No. 42 of the BNB Managing Board 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.
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<b>Legal registration</b>	Resolution of the Sofia City Court of 6 May 1991, company file No. 2367
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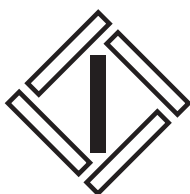
<b>Address of the head office</b>	81-83 Todor Alexandrov Blvd., Sofia 1303 tel. 02/812 01 11; 920 43 03 Website: <a href="http://www.feibbank.com">www.feibbank.com</a>
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### Management

Supervisory Board	Ivan Minkov Dragnevski – Chairman Georgi Stoinev Harizanov – Deputy Chairman Georgi Borislavov Georgiev Trayan Georgiev Lyalev Mladen Ivanov Moutafchiyski
Management Board	Anna Dimitrova Sabeva – Chairman and Governor Rositsa Asenova Tosheva – Deputy Governor Ivan Yovev Kolev Yuri Jaque Aroio

### Shareholders (shares over 10%)

Dynatrade International – 30%
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# FIRST INVESTMENT BANK

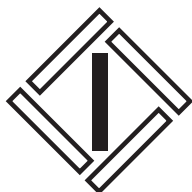
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Commercial Banks in Bulgaria

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	67 663	28 970	4 670	34 023
Claims on financial institutions, net	153 926	2 870	42 341	108 715
Claims under repurchase agreements	49 784	8 614	41 170	0
Trading portfolio	103 246	29 570	57 933	15 743
Investment portfolio	1 566	897	669	0
Loans to nonfinancial institutions and other customers, net	696 115	300 005	225 668	170 442
Loans to budget	0	0	0	0
Commercial loans	616 117	221 967	219 031	175 119
Commercial real estate and construction loans	298 473	93 634	157 899	46 940
Other commercial loans	317 644	128 333	61 132	128 179
Agricultural loans	14 932	14 338	0	594
Consumer loans	54 782	51 200	3 164	418
Housing mortgage loans to individuals	21 729	12 756	7 334	1 639
Other loans	13 324	11 089	684	1 551
Loans to nonfinancial institutions and other customers, total	720 884	311 350	230 213	179 321
Less: specific provisions	24 769	11 345	4 545	8 879
Assets for resale	113	113	0	0
Investments in unconsolidated subsidiaries and associated companies	167	167	0	0
Other assets, net	7 633	6 413	443	777
Intangible assets	560	560	0	0
Premises and other fixed assets	34 307	34 307	0	0
Assets, total	1 115 080	412 486	372 894	329 700
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	166 389	14 596	126 743	25 050
Demand deposits of banks	1 377	11	1 250	116
Time deposits of banks	20 471	11 600	2 633	6 238
Deposits of other financial institutions	144 541	2 985	122 860	18 696
Deposits of nonfinancial institutions and other customers	610 142	258 223	157 750	194 169
Demand deposits	296 417	189 442	54 640	52 335
Time deposits	313 725	68 781	103 110	141 834
Savings deposits	0	0	0	0
Deposits, total	776 531	272 819	284 493	219 219
Borrowings under repurchase agreements	24 389	24 389	0	0
Short-term borrowings	163 939	615	15 434	147 890
Long-term borrowings	28 542	0	28 542	0
Subordinated term debt and debt/equity (hybrid) instruments	18 705	0	18 705	0
Other liabilities	7 274	6 885	0	389
Liabilities, total	1 019 380	304 708	347 174	367 498
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	95 700	95 700		
Shareholder capital	10 000	10 000		
Reserves	80 845	80 845		
Profit/loss, current year	4 855	4 855		
Liabilities, minority interest, and capital, total	1 115 080	400 408	347 174	367 498
Memo: credit substitutes and other off-balance sheet commitments	182 320	55 246	71 048	56 026



# FIRST INVESTMENT BANK

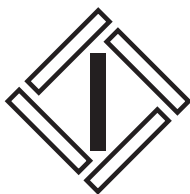
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## INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>22 439</b>	<b>9 744</b>	<b>8 269</b>	<b>4 426</b>
Interest income from claims on financial institutions	400	3	209	188
Interest income from claims under repurchase agreements	845	39	806	0
Interest income from trading portfolio	756	385	278	93
Interest income from investment portfolio	0	0	0	0
Interest income from loans	20 438	9 317	6 976	4 145
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>9 236</b>	<b>1 695</b>	<b>4 328</b>	<b>3 213</b>
Interest expenditure on deposits of financial institutions	2 796	46	2 561	189
Interest expenditure on deposits of nonfinancial institutions and other customers	4 021	1 507	926	1 588
Interest expenditure on borrowings under repurchase agreements	113	107	6	0
Interest expenditure on borrowings	1 751	17	298	1 436
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	537	0	537	0
Interest expenditure on other liabilities	18	18	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>13 203</b>	<b>8 049</b>	<b>3 941</b>	<b>1 213</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	3 583			
Reintegrated provisions	1 483			
Credit provisions, net	2 100			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 537</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>89</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>5 498</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>10 174</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>8 053</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-2 021</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>1 177</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>4 855</b>			

Balance Sheets and Income Statements of Individual Commercial Banks



## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Limited license: Resolution of the BNB Managing Board No. 278 of 1 October 1993. Full license: Resolution of the BNB Managing Board 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.
<b>Legal registration</b>	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.
<b>Address of the head office</b>	10 Stefan Karadzha Str., Sofia 1000 tel. 02/910 01 Website: <a href="http://www.fibank.bg">www.fibank.bg</a>

### Management

Supervisory Board	Georgi Dimitrov Moutafchiev – Chairman  Radka Veselinova Mineva
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  Evgeniya Dimitrova Stoyanova  Ivan Stefanov Ivanov  Lyubomir Ivanov Vesov  Evgeni Krustev Lukanov

### Shareholders (shares over 10%)

European Privatization and Investment Company, Vienna – 39%
European Bank for Reconstruction and Development – 20%
First Financial Brokerage House – 13.89%
Ivailo Dimitrov Moutafchiev – 12.33%
Tseko Todorov Minev – 12.33%



# HEBROS COMMERCIAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	39 077	25 883	3 312	9 882
Claims on financial institutions, net	60 186	373	34 833	24 980
Claims under repurchase agreements	0	0	0	0
Trading portfolio	45 020	20 492	8 345	16 183
Investment portfolio	39 880	809	1 042	38 029
Loans to nonfinancial institutions and other customers, net	326 759	219 397	91 126	16 236
Loans to budget	221	221	0	0
Commercial loans	243 766	148 194	79 196	16 376
Commercial real estate and construction loans	72 764	29 244	34 016	9 504
Other commercial loans	171 002	118 950	45 180	6 872
Agricultural loans	20 755	18 135	2 620	0
Consumer loans	61 712	60 149	1 563	0
Housing mortgage loans to individuals	1 435	1 341	94	0
Other loans	19 859	11 342	8 261	256
Loans to nonfinancial institutions and other customers, total	347 748	239 382	91 734	16 632
Less: specific provisions	20 989	19 985	608	396
Assets for resale	1 414	1 414	0	0
Investments in unconsolidated subsidiaries and associated companies	1004	1004	0	0
Other assets, net	7 328	6 851	190	287
Intangible assets	10 658	10 658	0	0
Premises and other fixed assets	21 714	21 714	0	0
Assets, total	553 040	308 595	138 848	105 597
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	1 591	1 562	29	0
Demand deposits of banks	119	118	1	0
Time deposits of banks	212	212	0	0
Deposits of other financial institutions	1 260	1 232	28	0
Deposits of nonfinancial institutions and other customers	412 559	223 738	84 590	104 231
Demand deposits	143 848	127 258	10 950	5 640
Time deposits	207 167	77 333	53 640	76 194
Savings deposits	61 544	19 147	20 000	22 397
Deposits, total	414 150	225 300	84 619	104 231
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	14 714	2 498	11 735	481
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	21 557	17 769	2 969	819
Liabilities, total	450 421	245 567	99 323	105 531
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	102 619	102 619		
Shareholder capital	41 103	41 103		
Reserves	56 350	56 350		
Profit/loss, current year	5 166	5 166		
Liabilities, minority interest, and capital, total	553 040	348 186	99 323	105 531
Memo: credit substitutes and other off-balance sheet commitments	61 859	32 897	14 131	14 831



# HEBROS COMMERCIAL BANK

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Commercial Banks in Bulgaria

## INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>9 218</b>	<b>6 231</b>	<b>2 271</b>	<b>716</b>
Interest income from claims on financial institutions	356	13	243	100
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	608	277	61	270
Interest income from investment portfolio	151	0	18	133
Interest income from loans	8 103	5 941	1 949	213
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>1 591</b>	<b>934</b>	<b>407</b>	<b>250</b>
Interest expenditure on deposits of financial institutions	13	13	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	1 432	900	282	250
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	146	21	125	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>7 627</b>	<b>5 297</b>	<b>1 864</b>	<b>466</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	9 683			
Reintegrated provisions	9 281			
Credit provisions, net	402			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 444</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>198</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>7 041</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>9 143</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>6 765</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-526</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>1</b>			
<b>TAX</b>	<b>1 074</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>5 166</b>			



## HEBROS COMMERCIAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Resolution No.177 of 3 June 1993 of the BNB Managing Board, updated in accordance with the Law on Banks by Order No. 100-00489 of the BNB Governor dated 17 November 1999
<b>Legal registration</b>	Entered in the registers of the Plovdiv Regional Court by Resolution No. 6965 of 8 June 1993
<b>Address of the head office</b>	37 Tsar Boris III Obedinitel Blvd., Plovdiv 4018 tel. 032/63 18 76; 62 88 70 Website: www.hebros.bg
<b>Management</b>	
Supervisory Board	Jayne Alison Sutcliffe – Chairman
	Robert-Hans van Griethuysen
	Alexander Anderson Whamond
Management Board	Gautam Vir – Chairman and Chief Executive Director
	Stewart Alexander Jack – Chief Operating Officer
	David Donald Curl – Executive Director
	Alexander Iliev Tsachev – Executive Director
	Veselin Vasilev Denchev – Executive Director
<b>Shareholders</b> (shares over 10%)	
	SWC B. V. – 90.77%

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	12 573	0	12 573	2 640	458	9 475
Claims on financial institutions, net	22 020	18 356	3 664	2 429	299	936
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	33 644	0	33 644	24 990	3 486	5 168
Investment portfolio	38	0	38	38	0	0
Loans to nonfinancial institutions and other customers, net	195 009	0	195 009	131 403	41 335	22 271
Loans to budget	0	0	0	0	0	0
Commercial loans	171 098	0	171 098	108 627	40 200	22 271
Commercial real estate and construction loans	9 627	0	9 627	9 627	0	0
Other commercial loans	161 471	0	161 471	99 000	40 200	22 271
Agricultural loans	16 641	0	16 641	15 506	1 135	0
Consumer loans	1 178	0	1 178	1 178	0	0
Housing mortgage loans to individuals	5 906	0	5 906	5 906	0	0
Other loans	186	0	186	186	0	0
Loans to nonfinancial institutions and other customers, total	195 009	0	195 009	131 403	41 335	22 271
Less: specific provisions	0	0	0	0	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	1 234	0	1 234	514	373	347
Intangible assets	320	0	320	320	0	0
Premises and other fixed assets	1 647	0	1 647	1 647	0	0
Assets, total	266 485	18 356	248 129	163 981	45 951	38 197
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	62 845	11 933	50 912	37 112	6 355	7 445
Demand deposits of banks	14 738	49	14 689	14 582	1	106
Time deposits of banks	43 708	11 884	31 824	19 733	4 890	7 201
Deposits of other financial institutions	4 399	0	4 399	2 797	1 464	138
Deposits of nonfinancial institutions and other customers	170 543	0	170 543	78 580	57 164	34 799
Demand deposits	106 305	0	106 305	50 557	29 122	26 626
Time deposits	64 211	0	64 211	28 022	28 016	8 173
Savings deposits	27	0	27	1	26	0
Deposits, total	233 388	11 933	221 455	115 692	63 519	42 244
Borrowings under repurchase agreements	3 000	0	3 000	3 000	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	8 205	2 353	5 852	3 951	273	1 628
Liabilities, total	244 593	14 286	230 307	122 643	63 792	43 872
Reserves and financial result, total	21 892	17 986	3 906	3 906		
Reserves	17 986	17 986	0	0		
Profit/loss, current year	3 906	0	3 906	3 906		
Liabilities, reserves, and financial result, total	266 485	32 272	234 213	126 549	63 792	43 872
Memo: credit substitutes and other off-balance sheet commitments	60 042	0	60 042	21 947	30 688	7 407



# INCOME STATEMENT

(March 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>3 054</b>	<b>44</b>	<b>3 010</b>	<b>2 370</b>	<b>484</b>	<b>156</b>
Interest income from claims on financial institutions	138	44	94	87	7	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	439	0	439	439	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	2 477	0	2 477	1 844	477	156
Dividend income	0	0	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>441</b>	<b>0</b>	<b>441</b>	<b>313</b>	<b>83</b>	<b>45</b>
Interest expenditure on deposits of financial institutions	228	0	228	169	27	32
Interest expenditure on deposits of nonfinancial institutions and other customers	206	0	206	137	56	13
Interest expenditure on borrowings under repurchase agreements	7	0	7	7	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>2 613</b>	<b>44</b>	<b>2 569</b>	<b>2 057</b>	<b>401</b>	<b>111</b>
<b>CREDIT PROVISIONS</b>						
Accrued provisions	0	0	0			
Reintegrated provisions	3 038	0	3 038			
Credit provisions, net	-3 038	0	-3 038			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>494</b>	<b>0</b>	<b>494</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>2 128</b>	<b>0</b>	<b>2 128</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>3 804</b>	<b>438</b>	<b>3 366</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>4 469</b>	<b>-394</b>	<b>4 863</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-563</b>	<b>0</b>	<b>-563</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>TAX</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>3 906</b>	<b>-394</b>	<b>4 300</b>			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Resolution No.199 of 16 June 1994 of the BNB Managing Board; License updated by Order No. 100-00563 of 22 December 1999
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<b>Legal registration</b>	Company file No. 11357 of 26 July 1994
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<b>Address of the branch</b>	12 Emil Bersinski Str., Ivan Vazov District, Sofia 1408 tel. 02/917 64 00 Website: <a href="http://www.ing.bg">www.ing.bg</a>
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<b>Management</b>	Jan Willem Overwater – Regional Director  Kornelis de Jong – Executive Director  Vladimir Boyanov Chimov – Head of Legal Department
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<b>Shareholders</b> (shares over 10%)
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Sole shareholder: ING Group N. V./4972
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# INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

121

Balance Sheets and Income Statements of Individual Commercial Banks

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	5 327	1 837	1 007	2 483
Claims on financial institutions, net	16 692	9	7 833	8 850
Claims under repurchase agreements	0	0	0	0
Trading portfolio	1 076	0	1 076	0
Investment portfolio	31	28	0	3
Loans to nonfinancial institutions and other customers, net	47 142	34 395	7 135	5 612
Loans to budget	0	0	0	0
Commercial loans	40 353	28 638	6 254	5 461
Commercial real estate and construction loans	9 710	7 524	665	1 521
Other commercial loans	30 643	21 114	5 589	3 940
Agricultural loans	1 236	1 236	0	0
Consumer loans	849	599	72	178
Housing mortgage loans to individuals	855	16	819	20
Other loans	4 972	4 942	0	30
Loans to nonfinancial institutions and other customers, total	48 265	35 431	7 145	5 689
Less: specific provisions	1 123	1 036	10	77
Assets for resale	86	86	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 448	1 243	79	126
Intangible assets	14	14	0	0
Premises and other fixed assets	409	409	0	0
Assets, total	72 225	38 021	17 130	17 074
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	3 538	3 499	1	38
Demand deposits of banks	0	0	0	0
Time deposits of banks	3 480	3 480	0	0
Deposits of other financial institutions	58	19	1	38
Deposits of nonfinancial institutions and other customers	50 230	19 238	14 564	16 428
Demand deposits	16 422	7 892	4 364	4 166
Time deposits	33 341	10 948	10 199	12 194
Savings deposits	467	398	1	68
Deposits, total	53 768	22 737	14 565	16 466
Borrowings under repurchase agreements	1 093	1 093	0	0
Short-term borrowings	42	9	33	0
Long-term borrowings	1 039	1 039	0	0
Subordinated term debt and debt/equity (hybrid) instruments	1 000	1 000	0	0
Other liabilities	1 438	1 269	115	54
Liabilities, total	58 380	27 147	14 713	16 520
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	13 845	13 845		
Shareholder capital	13 000	13 000		
Reserves	675	675		
Profit/loss, current year	170	170		
Liabilities, minority interest, and capital, total	72 225	40 992	14 713	16 520
Memo: credit substitutes and other off-balance sheet commitments	14 108	10 468	1 640	2 000



# INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

122

Commercial Banks in Bulgaria

## INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>1 136</b>	<b>728</b>	<b>174</b>	<b>234</b>
Interest income from claims on financial institutions	27	0	11	16
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	14	0	14	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	1 095	728	149	218
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>510</b>	<b>199</b>	<b>125</b>	<b>186</b>
Interest expenditure on deposits of financial institutions	17	17	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	467	163	122	182
Interest expenditure on borrowings under repurchase agreements	1	1	0	0
Interest expenditure on borrowings	13	6	3	4
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	12	12	0	0
Interest expenditure on other liabilities	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>626</b>	<b>529</b>	<b>49</b>	<b>48</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	741			
Reintegrated provisions	678			
Credit provisions, net	63			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>21</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>480</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>903</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>161</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>18</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>4</b>			
<b>TAX</b>	<b>13</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>170</b>			



# INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

123

Balance Sheets and Income Statements of Individual Commercial Banks

## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Protocol No. 7 of 5 February 1991 of the BNB Managing Board. License updated under § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks. Order No. 100-00572 of 23 December 1999.
<b>Legal registration</b>	Resolution No. 4864 of 22 February 1991 of the Sofia City Court, Company Department
<b>Address of the head office</b>	2 Ivan Vazov Str., Sofia 1000 tel. 02/980 60 85; 986 41 47; 987 15 16
<b>Management</b>	
Supervisory Board	Delcho Radev Poryazov – Chairman
	Marta Nedyalkova Pousheva–Borislavova – Deputy Chairman
	Carolyne Guichoud
	Vyara Mihailova Tserovska
	Ivan Dimitrov Kapitanov
Management Board	Alexander Vasilev Alexandrov – Chairman and Executive Director
	Mladen Georgiev Ivanov – Executive Director
	Boyan Nedelchev Penkov – Executive Director
	Asen Ignatov Simeonov
	Lyubomir Hristoforov Pelev
<b>Shareholders</b> (shares over 10%)	

**Note:** The BNB has granted a permit to Boni Evlogiev Bonev to acquire 88.66 percent of the Bank capital.



Investbank Bulgaria  
Инвестбанк АД

INVESTBANK\*

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	10 409	4 089	4 704	1 616
Claims on financial institutions, net	4 056	220	2 369	1 467
Claims under repurchase agreements	0	0	0	0
Trading portfolio	17 141	9 577	2 158	5 406
Investment portfolio	333	333	0	0
Loans to nonfinancial institutions and other customers, net	91 578	57 729	22 750	11 099
Loans to budget	0	0	0	0
Commercial loans	65 718	35 601	19 738	10 379
Commercial real estate and construction loans	14 804	3 595	6 478	4 731
Other commercial loans	50 914	32 006	13 260	5 648
Agricultural loans	5 150	5 150	0	0
Consumer loans	4 843	4 430	413	0
Housing mortgage loans to individuals	677	545	132	0
Other loans	16 203	12 968	2 467	768
Loans to nonfinancial institutions and other customers, total	92 591	58 694	22 750	11 147
Less: specific provisions	1 013	965	0	48
Assets for resale	275	275	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 894	1 859	34	1
Intangible assets	593	593	0	0
Premises and other fixed assets	1 558	1 558	0	0
Assets, total	127 837	76 233	32 015	19 589
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	14 299	10 942	140	3 217
Demand deposits of banks	23	9	0	14
Time deposits of banks	8 174	4 974	0	3 200
Deposits of other financial institutions	6 102	5 959	140	3
Deposits of nonfinancial institutions and other customers	69 163	25 780	27 396	15 987
Demand deposits	15 809	13 382	1 406	1 021
Time deposits	49 308	10 945	24 521	13 842
Savings deposits	4 046	1 453	1 469	1 124
Deposits, total	83 462	36 722	27 536	19 204
Borrowings under repurchase agreements	10 492	10 492	0	0
Short-term borrowings	2 002	0	1 958	44
Long-term borrowings	11 030	11 030	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	4 188	2 629	335	1 224
Liabilities, total	111 174	60 873	29 829	20 472
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	16 663	16 663		
Shareholder capital	16 000	16 000		
Reserves	631	631		
Profit/loss, current year	32	32		
Liabilities, minority interest, and capital, total	127 837	77 536	29 829	20 472
Memo: credit substitutes and other off-balance sheet commitments	22 027	16 066	5 276	685

\* Former Neftinvestbank.

# INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>2 180</b>	<b>1 574</b>	<b>398</b>	<b>208</b>
Interest income from claims on financial institutions	23	4	14	5
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	201	155	28	18
Interest income from investment portfolio	0	0	0	0
Interest income from loans	1 956	1 415	356	185
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>982</b>	<b>376</b>	<b>385</b>	<b>221</b>
Interest expenditure on deposits of financial institutions	100	97	0	3
Interest expenditure on deposits of nonfinancial institutions and other customers	782	181	383	218
Interest expenditure on borrowings under repurchase agreements	53	51	2	0
Interest expenditure on borrowings	47	47	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>1 198</b>	<b>1 198</b>	<b>13</b>	<b>-13</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	366			
Reintegrated provisions	98			
Credit provisions, net	268			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>351</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>28</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>607</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>1 667</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>249</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-226</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>9</b>			
<b>TAX</b>	<b>0</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>32</b>			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Resolution No. 364 of the BNB Managing Board of 1 December 1994, updated in accordance with the Law on Banks by Order No. 100-000574 of 27 December 1999
<b>Legal registration</b>	Resolution No.1 of the Sofia City Court dated 16 December 1994
<b>Address of the head office</b>	155 Rakovski Str., Sofia 1000 tel. 02/981 77 34; 981 69 38; 981 73 76 Website: www.ibank.bg
<b>Management</b>	
Supervisory Board	<p>Petya Ivanova Barakova-Slavova – Chairman</p> <p>Vincom Ltd., represented by Krastinka Radkova Stoyanova – Deputy Chairman</p> <p>Festa Holding Ltd., represented by Petya Slavova</p> <p>Borislav Ivanov Mihailov</p>
Management Board	<p>Dimitar Asparuhov Dimitrov – Chairman and Executive Director</p> <p>Kiril Grigorov – Executive Director</p> <p>Aneliya Tihova</p>
Procurator	Dimitar Marinov Dimitrov
<b>Shareholders</b> (shares over 10%)	
	Festa Holding – 63%
	Vincom – 19.37%
	DZI General Insurance – 10.41%





## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	28 452	24 806	2 283	1 363
Claims on financial institutions, net	80 261	29 846	30 878	19 537
Claims under repurchase agreements	19 704	19 704	0	0
Trading portfolio	144 953	107 198	31 171	6 584
Investment portfolio	1 203	856	0	347
Loans to nonfinancial institutions and other customers, net	121 007	92 810	22 326	5 871
Loans to budget	4 224	4 224	0	0
Commercial loans	112 762	82 404	24 431	5 927
Commercial real estate and construction loans	25 795	17 528	7 051	1 216
Other commercial loans	86 967	64 876	17 380	4 711
Agricultural loans	1 777	1 777	0	0
Consumer loans	7 493	7 414	79	0
Housing mortgage loans to individuals	2 757	2 500	236	21
Other loans	5 939	4 747	1 192	0
Loans to nonfinancial institutions and other customers, total	134 952	103 066	25 938	5 948
Less: specific provisions	13 945	10 256	3 612	77
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	2 342	2 021	31	290
Intangible assets	2 506	2 506	0	0
Premises and other fixed assets	9 214	9 214	0	0
Assets, total	409 642	288 961	86 689	33 992
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	10 874	7 667	187	3 020
Demand deposits of banks	433	182	84	167
Time deposits of banks	2 840	0	0	2 840
Deposits of other financial institutions	7 601	7 485	103	13
Deposits of nonfinancial institutions and other customers	314 601	257 333	27 534	29 734
Demand deposits	234 260	225 022	6 407	2 831
Time deposits	69 847	27 845	17 908	24 094
Savings deposits	10 494	4 466	3 219	2 809
Deposits, total	325 475	265 000	27 721	32 754
Borrowings under repurchase agreements	1 028	1 028	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	37 340	400	36 940	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	7 547	5 542	1 779	226
Liabilities, total	371 390	271 970	66 440	32 980
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	38 252	38 252		
Shareholder capital	25 000	25 000		
Reserves	12 278	12 278		
Profit/loss, current year	974	974		
Liabilities, minority interest, and capital, total	409 642	310 222	66 440	32 980
Memo: credit substitutes and other off-balance sheet commitments	27 008	20 902	4 769	1 337



**INCOME STATEMENT**  
(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>5 645</b>	<b>4 321</b>	<b>1 047</b>	<b>277</b>
Interest income from claims on financial institutions	221	72	105	44
Interest income from claims under repurchase agreements	54	54	0	0
Interest income from trading portfolio	2 113	1 657	381	75
Interest income from investment portfolio	12	8	0	4
Interest income from loans	3 245	2 530	561	154
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>1 127</b>	<b>432</b>	<b>544</b>	<b>151</b>
Interest expenditure on deposits of financial institutions	57	53	1	3
Interest expenditure on deposits of nonfinancial institutions and other customers	666	364	154	148
Interest expenditure on borrowings under repurchase agreements	13	13	0	0
Interest expenditure on borrowings	391	2	389	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>4 518</b>	<b>3 889</b>	<b>503</b>	<b>126</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	2 617			
Reintegrated provisions	696			
Credit provisions, net	1 921			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>3 026</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>32</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>1 559</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>5 834</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>1 380</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-165</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>241</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>974</b>			



## MUNICIPAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Order No. 100-00491 of the BNB Governor dated 17 November 1999
<b>Legal registration</b>	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
<b>Address of the head office</b>	6 Vrabcha Str., Sofia 1000 tel. 02/930 01 11 Website: www.municipalbank.bg
<b>Management</b>	
Supervisory Board	Lyubomir Vladimirov Pavlov – Chairman
	Ventsislav Stoyanov Nikolov
	Petar Dimitrov Dzhorinski
Management Board	Vladimir Todorov Hristov – Chairman
	Vanya Georgieva Vasileva – Chief Executive Director
	Vasil Petrov Vasilev – Executive Director
	Vasil Svilenov Piralkov – Executive Director
	Angel Kirilov Gekov – Executive Director
Procurator	Raiko Ivanov Karagiozov
<b>Shareholders</b> (shares over 10%)	
Sofia Municipality – 67%	



# NATIONAL BANK OF GREECE, SOFIA BRANCH

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Commercial Banks in Bulgaria

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	8 570	0	8 570	572	237	7 761
Claims on financial institutions, net	114 444	114 174	270	0	239	31
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	3 246	0	3 246	7	1 082	2 157
Investment portfolio	17	0	17	17	0	0
Loans to nonfinancial institutions and other customers, net	77 674	0	77 674	2 347	73 539	1 788
Loans to budget	0	0	0	0	0	0
Commercial loans	78 867	0	78 867	2 334	74 763	1 770
Commercial real estate and construction loans	38 565	0	38 565	655	37 910	0
Other commercial loans	40 302	0	40 302	1 679	36 853	1 770
Agricultural loans	0	0	0	0	0	0
Consumer loans	97	0	97	37	42	18
Housing mortgage loans to individuals	7	0	7	0	7	0
Other loans	3	0	3	3	0	0
Loans to nonfinancial institutions and other customers, total	78 974	0	78 974	2 374	74 812	1 788
Less: specific provisions	1 300	0	1 300	27	1 273	0
Assets for resale	0	0	0	0	0	0
Other assets, net	203	0	203	159	43	1
Intangible assets	329	0	329	329	0	0
Premises and other fixed assets	125	0	125	125	0	0
Assets, total	204 608	114 174	90 434	3 556	75 140	11 738
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	157 018	93 549	63 469	5 501	25 243	32 725
Demand deposits of banks	264	264	0	0	0	0
Time deposits of banks	152 921	89 452	63 469	5 501	25 243	32 725
Deposits of other financial institutions	3 833	3 833	0	0	0	0
Deposits of nonfinancial institutions and other customers	38 259	0	38 259	5 364	14 601	18 294
Demand deposits	5 984	0	5 984	2 563	534	2 887
Time deposits	21 321	0	21 321	2 390	8 932	9 999
Savings deposits	10 954	0	10 954	411	5 135	5 408
Deposits, total	195 277	93 549	101 728	10 865	39 844	51 019
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	8 836	7 948	888	483	367	38
Liabilities, total	204 113	101 497	102 616	11 348	40 211	51 057
Reserves and financial result, total	495	381	114	114		
Reserves	381	381	0	0		
Profit/loss, current year	114	0	114	114		
Liabilities, reserves, and financial result, total	204 608	101 878	102 730	11 462	40 211	51 057
Memo: credit substitutes and other off-balance sheet commitments	22 388	2 214	20 174	198	16 308	3 668



# NATIONAL BANK OF GREECE, SOFIA BRANCH

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## INCOME STATEMENT (March 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>1 906</b>	<b>1 110</b>	<b>796</b>	<b>50</b>	<b>729</b>	<b>17</b>
Interest income from claims on financial institutions	1 111	1 110	1	1	0	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	21	0	21	7	14	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	774	0	774	42	715	17
Dividend income	0	0	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>773</b>	<b>424</b>	<b>349</b>	<b>54</b>	<b>181</b>	<b>114</b>
Interest expenditure on deposits of financial institutions	616	424	192	26	100	66
Interest expenditure on deposits of nonfinancial institutions and other customers	157	0	157	28	81	48
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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>1 133</b>	<b>686</b>	<b>447</b>	<b>-4</b>	<b>548</b>	<b>-97</b>
<b>CREDIT PROVISIONS</b>						
Accrued provisions	733	0	733			
Reintegrated provisions	18	0	18			
Credit provisions, net	715	0	715			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>120</b>	<b>0</b>	<b>120</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>78</b>	<b>-127</b>	<b>205</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>461</b>	<b>0</b>	<b>461</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>155</b>	<b>559</b>	<b>-404</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-41</b>	<b>0</b>	<b>-41</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>TAX</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>114</b>	<b>559</b>	<b>-445</b>			

Balance Sheets and Income Statements of Individual Commercial Banks



## NATIONAL BANK OF GREECE, SOFIA BRANCH

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### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Resolution No. 78 of 13 March 1995 of the BNB Managing Board. 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.
<b>Legal registration</b>	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.
<b>Address of the branch</b>	96 Rakovski Str., Sofia 1000 tel. 02/981 50 10; 980 29 96 Website: <a href="http://www.nbg.gr">www.nbg.gr</a>

#### Management

Moissis Romanidis-Kyriakidis – Governor

Donka Yordanova Popovska – Deputy Governor

#### Shareholders (shares over 10%)

A branch of the National Bank of Greece, Athens

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	18 523	0	18 523	3 435	1 579	13 509
Claims on financial institutions, net	2 882	1 099	1 783	0	1 311	472
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	9	0	9	9	0	0
Investment portfolio	0	0	0	0	0	0
Loans to nonfinancial institutions and other customers, net	224 066	0	224 066	40 261	167 851	15 954
Loans to budget	0	0	0	0	0	0
Commercial loans	221 343	0	221 343	38 462	167 155	15 726
Commercial real estate and construction loans	108 431	0	108 431	13 516	86 079	8 836
Other commercial loans	112 912	0	112 912	24 946	81 076	6 890
Agricultural loans	0	0	0	0	0	0
Consumer loans	1 397	0	1 397	1 095	135	167
Housing mortgage loans to individuals	4 005	0	4 005	1 200	2 593	212
Other loans	1	0	1	1	0	0
Loans to nonfinancial institutions and other customers, total	226 746	0	226 746	40 758	169 883	16 105
Less: specific provisions	2 680	0	2 680	497	2 032	151
Assets for resale	0	0	0	0	0	0
Other assets, net	2 046	848	1 198	450	608	140
Intangible assets	2 638	0	2 638	2 638	0	0
Premises and other fixed assets	2 048	0	2 048	2 048	0	0
Assets, total	252 212	1 947	250 265	48 841	171 349	30 075
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	173 452	136 257	37 195	21 256	3 931	12 008
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	173 356	136 257	37 099	21 183	3 914	12 002
Deposits of other financial institutions	96	0	96	73	17	6
Deposits of nonfinancial institutions and other customers	64 673	0	64 673	21 267	28 515	14 891
Demand deposits	24 568	0	24 568	13 492	8 030	3 046
Time deposits	27 921	0	27 921	5 262	14 127	8 532
Savings deposits	12 184	0	12 184	2 513	6 358	3 313
Deposits, total	238 125	136 257	101 868	42 523	32 446	26 899
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	9 549	6 053	3 496	2 471	187	838
Liabilities, total	247 674	142 310	105 364	44 994	32 633	27 737
Reserves and financial result, total	4 538	3 506	1 032	1 032		
Reserves	3 506	3 506	0	0		
Profit/loss, current year	1 032	0	1 032	1 032		
Liabilities, reserves, and financial result, total	252 212	145 816	106 396	46 026	32 633	27 737
Memo: credit substitutes and other off-balance sheet commitments	82 843	29 704	53 139	13 048	35 987	4 104

## INCOME STATEMENT (March 2004)

	Total	Related parties	(BGN'000)			
			Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>3 381</b>	<b>68</b>	<b>3 313</b>	<b>662</b>	<b>2181</b>	<b>470</b>
Interest income from claims on financial institutions	74	68	6	0	5	1
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	3 307	0	3 307	662	2176	469
Dividend income	0	0	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>1 143</b>	<b>699</b>	<b>444</b>	<b>221</b>	<b>129</b>	<b>94</b>
Interest expenditure on deposits of financial institutions	935	699	236	162	28	46
Interest expenditure on deposits of nonfinancial institutions and other customers	208	0	208	59	101	48
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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>2 238</b>	<b>-631</b>	<b>2 869</b>	<b>441</b>	<b>2052</b>	<b>376</b>
<b>CREDIT PROVISIONS</b>						
Accrued provisions	349	0	349			
Reintegrated provisions	8	0	8			
Credit provisions, net	341	0	341			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>910</b>	<b>42</b>	<b>868</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>1 375</b>	<b>0</b>	<b>1 375</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>1 432</b>	<b>-589</b>	<b>2 021</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>58</b>	<b>9</b>	<b>49</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>TAX</b>	<b>458</b>	<b>0</b>	<b>458</b>			
<b>PROFIT/LOSS, NET</b>	<b>1 032</b>	<b>-580</b>	<b>1 612</b>			



**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

**License granted by the BNB** By Resolution No. 80 of 18 March 1993 the BNB Managing Board granted a license to *Xiosbank, Athens*, to conduct bank transactions in Sofia under Article 1, para. 2 of the Law on Banks and Credit Activity. License updated under § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks by Order No. 100-00562 of 22 December 1999. By Resolution No. 11 of 15 February 2001 of the Sofia City Court the change in the branch name was entered in the Commercial Register, vol. 133, p. 82, lot No. 8939: Xiosbank, Sofia branch, is renamed to Piraeus Bank, Sofia branch, due to effected merger of Xiosbank, Athens, Greece, and Piraeus Bank, Athens, Greece.

**Legal registration** Resolution of the Sofia City Court of 27 April 1993, lot No. 8931, vol. 133, reg. I, p. 52.

**Address of the branch** 3 Vitosha Blvd., Sofia 1000  
tel. 02/980 89 03; 980 56 54  
Website: [www.piraeus.gr](http://www.piraeus.gr)

**Management**

Athanasios Aristeidis Koutsopoulos

Margarita Dobрева Petrova-Karidi

Zhasmina Stoilova Uzunova

Silva Videnova Nakova

**Management Board** Piraeus Bank, Sofia Branch, is managed jointly by each two of the four authorized governors:  
Athanasios Aristeidis Koutsopoulos  
Margarita Dobрева Petrova-Karidi  
Zhasmina Stoilova Uzunova  
Silva Videnova Nakova

**Shareholders**  
(shares over 10%)

A branch of Piraeus Bank, Athens, Greece



**ProCredit Bank**

**PROCREDIT BANK**

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Commercial Banks in Bulgaria

**BALANCE SHEET AS OF 31 MARCH 2004**

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	6 628	3 969	943	1 716
Claims on financial institutions, net	18 918	1 682	11 969	5 267
Claims under repurchase agreements	0	0	0	0
Trading portfolio	8 274	0	7 490	784
Investment portfolio	33	33	0	0
Loans to nonfinancial institutions and other customers, net	187 013	93 479	87 529	6 005
Loans to budget	0	0	0	0
Commercial loans	171 353	82 586	82 964	5 803
Commercial real estate and construction loans	0	0	0	0
Other commercial loans	171 353	82 586	82 964	5 803
Agricultural loans	409	409	0	0
Consumer loans	12 098	11 545	468	85
Housing mortgage loans to individuals	5 143	301	4 720	122
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	189 003	94 841	88 152	6 010
Less: specific provisions	1 990	1 362	623	5
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	50	50	0	0
Other assets, net	858	647	164	47
Intangible assets	1 196	1 196	0	0
Premises and other fixed assets	3 656	3 656	0	0
Assets, total	226 626	104 712	108 095	13 819
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	36 398	21 055	7 293	8 050
Demand deposits of banks	11	11	0	0
Time deposits of banks	25 664	10 369	7 290	8 005
Deposits of other financial institutions	10 723	10 675	3	45
Deposits of nonfinancial institutions and other customers	70 825	42 826	17 145	10 854
Demand deposits	30 714	23 001	6 783	930
Time deposits	39 572	19 608	10 166	9 798
Savings deposits	539	217	196	126
Deposits, total	107 223	63 881	24 438	18 904
Borrowings under repurchase agreements	2 732	2 732	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	84 778	28 775	56 003	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	3 949	2 289	1 188	472
Liabilities, total	198 682	97 677	81 629	19 376
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	27 944	27 944		
Shareholder capital	24 000	24 000		
Reserves	1 961	1 961		
Profit/loss, current year	1 983	1 983		
Liabilities, minority interest, and capital, total	226 626	125 621	81 629	19 376
Memo: credit substitutes and other off-balance sheet commitments	24 258	5 896	9 665	8 697



**ProCredit Bank**

**PROCREDIT BANK**

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## INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>7 004</b>	<b>4 026</b>	<b>2 746</b>	<b>232</b>
Interest income from claims on financial institutions	115	46	34	35
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	121	0	108	13
Interest income from investment portfolio	0	0	0	0
Interest income from loans	6 768	3 980	2 604	184
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>1 789</b>	<b>989</b>	<b>716</b>	<b>84</b>
Interest expenditure on deposits of financial institutions	346	263	66	17
Interest expenditure on deposits of nonfinancial institutions and other customers	465	316	82	67
Interest expenditure on borrowings under repurchase agreements	26	26	0	0
Interest expenditure on borrowings	952	384	568	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>5 215</b>	<b>3 037</b>	<b>2 030</b>	<b>148</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	1 146			
Reintegrated provisions	633			
Credit provisions, net	513			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>239</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>750</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>3 234</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>2 457</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-10</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>11</b>			
<b>TAX</b>	<b>475</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>1 983</b>			

Balance Sheets and Income Statements of Individual Commercial Banks


**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Order No. RD 22-442 of 25 September 2001
<b>Legal registration</b>	No. 64 228 , vol. 733, reg. I, p. 116 on company file No. 9478 of the Sofia City Court of 2001
<b>Address of the head office</b>	131 Hristo Botev Blvd., Sofia 1233 tel. 02/921 71 00; 921 71 41 Website: <a href="http://www.procreditbank.bg">www.procreditbank.bg</a>
<b>Management</b>	
Supervisory Board	Klaus-Peter Zeitingner – Chairman
	Judith Brandsma – Deputy Chairman
	Christoph Freytag
	Helmut Töllner
Management Board	Hanns Martin Hagen
	Susanne Decker – Chairman
	Gui de Roeck
	Petar Slavchev Slavov
<b>Shareholders</b> (shares over 10%)	
European Bank for Reconstruction and Development – 20%	
International Financial Corporation – 20%	
IMI – Internationale Micro Investitionen AG – 20%	
DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH – 20%	
Commerzbank AG – 20%	



# RAIFFEISENBANK, BULGARIA

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Balance Sheets and Income Statements of Individual Commercial Banks

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	50 394	22 349	6 673	21 372
Claims on financial institutions, net	52 087	19 389	12 575	20 123
Claims under repurchase agreements	822	157	665	0
Trading portfolio	61 329	22 245	13 575	25 509
Investment portfolio	40 735	12 165	20 947	7 623
Loans to nonfinancial institutions and other customers, net	702 794	156 768	458 379	87 647
Loans to budget	0	0	0	0
Commercial loans	679 570	135 165	452 239	92 166
Commercial real estate and construction loans	114 508	16 510	90 669	7 329
Other commercial loans	565 062	118 655	361 570	84 837
Agricultural loans	7 386	2 467	4 512	407
Consumer loans	26 992	26 059	866	67
Housing mortgage loans to individuals	10 459	351	7 668	2 440
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	724 407	164 042	465 285	95 080
Less: specific provisions	21 613	7 274	6 906	7 433
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	69	69	0	0
Other assets, net	2 930	2 194	458	278
Intangible assets	3 499	3 499	0	0
Premises and other fixed assets	10 425	10 425	0	0
Assets, total	925 084	249 260	513 272	162 552
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	115 649	10 558	53 880	51 211
Demand deposits of banks	13 172	726	12 295	151
Time deposits of banks	84 467	1 005	34 534	48 928
Deposits of other financial institutions	18 010	8 827	7 051	2 132
Deposits of nonfinancial institutions and other customers	545 279	229 314	183 320	132 645
Demand deposits	315 042	161 639	91 749	61 654
Time deposits	230 237	67 675	91 571	70 991
Savings deposits	0	0	0	0
Deposits, total	660 928	239 872	237 200	183 856
Borrowings under repurchase agreements	4 451	4 451	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	110 750	327	59 057	51 366
Subordinated term debt and debt/equity (hybrid) instruments	31 293	0	31 293	0
Other liabilities	34 750	12 456	16 759	5 535
Liabilities, total	842 172	257 106	344 309	240 757
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	82 912	82 912		
Shareholder capital	46 037	46 037		
Reserves	30 606	30 606		
Profit/loss, current year	6 269	6 269		
Liabilities, minority interest, and capital, total	925 084	340 018	344 309	240 757
Memo: credit substitutes and other off-balance sheet commitments	241 456	62 519	127 796	51 141



## INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>14 341</b>	<b>4 687</b>	<b>8 106</b>	<b>1 548</b>
Interest income from claims on financial institutions	94	24	27	43
Interest income from claims under repurchase agreements	5	1	3	1
Interest income from trading portfolio	861	861	0	0
Interest income from investment portfolio	500	497	3	0
Interest income from loans	12 881	3 304	8 073	1 504
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>3 359</b>	<b>728</b>	<b>1 771</b>	<b>860</b>
Interest expenditure on deposits of financial institutions	478	93	330	55
Interest expenditure on deposits of nonfinancial institutions and other customers	1 252	585	466	201
Interest expenditure on borrowings under repurchase agreements	126	49	76	1
Interest expenditure on borrowings	1 030	1	426	603
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	473	0	473	0
Interest expenditure on other liabilities	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>10 982</b>	<b>3 959</b>	<b>6 335</b>	<b>688</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	5 677			
Reintegrated provisions	3 871			
Credit provisions, net	1 806			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 259</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>5 213</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>7 923</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>7 725</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>67</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>-6</b>			
<b>TAX</b>	<b>1 517</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>6 269</b>			



## RAIFFEISENBANK, BULGARIA

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Balance Sheets and Income Statements of Individual Commercial Banks

### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Resolution No. 198 of 16 June 1994 of the BNB Managing Board, updated by Order No. 100-00497 of the BNB Governor dated 18 November 1999
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<b>Legal registration</b>	Resolution of the Sofia City Court of 1 August 1994 on company file No. 14195, lot No. 18414, vol. 230, p. 38
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<b>Address of the head office</b>	18-20 Gogol Str., Sofia 1000 tel. 02/919 85 101 Website: www.rbb.bg
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#### Management

Supervisory Board	Herbert Stepic – Chairman
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Heinz Heudel

Heinz Wiedner

Management Board	Momchil Ivanov Andreev – Chairman and Executive Director
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Damyan Nikolov Damyanov – Executive Director

Tsenka Kalcheva Petkova – Executive Director

#### Shareholders (shares over 10%)

Raiffeisen International Beteiligungs – 100%



ROSEXIMBANK

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Commercial Banks in Bulgaria

# BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	91 942	51 601	6 171	34 170
Claims on financial institutions, net	123 036	829	33 529	88 678
Claims under repurchase agreements	0	0	0	0
Trading portfolio	68 827	62 845	3 445	2 537
Investment portfolio	23 045	16 915	6 130	0
Loans to nonfinancial institutions and other customers, net	242 787	153 470	41 385	47 932
Loans to budget	6 108	6 108	0	0
Commercial loans	214 696	128 898	39 553	46 245
Commercial real estate and construction loans	65 770	38 258	13 146	14 366
Other commercial loans	148 926	90 640	26 407	31 879
Agricultural loans	2 463	2 181	282	0
Consumer loans	10 136	9 680	133	323
Housing mortgage loans to individuals	1 451	1 035	407	9
Other loans	11 173	6 873	2 556	1 744
Loans to nonfinancial institutions and other customers, total	246 027	154 775	42 931	48 321
Less: specific provisions	3 240	1 305	1 546	389
Assets for resale	445	445	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	12 730	10 957	248	1 525
Intangible assets	1 530	1 530	0	0
Premises and other fixed assets	16 813	16 813	0	0
Assets, total	581 155	315 405	90 908	174 842
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	19 392	7 065	11 074	1 253
Demand deposits of banks	2 123	2 123	0	0
Time deposits of banks	11 559	0	10 759	800
Deposits of other financial institutions	5 710	4 942	315	453
Deposits of nonfinancial institutions and other customers	496 617	230 710	96 533	169 374
Demand deposits	206 895	156 206	31 668	19 021
Time deposits	267 942	62 816	60 439	144 687
Savings deposits	21 780	11 688	4 426	5 666
Deposits, total	516 009	237 775	107 607	170 627
Borrowings under repurchase agreements	8 498	4 000	4 498	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	14 794	8 909	4 741	1 144
Liabilities, total	539 301	250 684	116 846	171 771
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	41 854	41 854		
Shareholder capital	40 000	40 000		
Reserves	1 553	1 553		
Profit/loss, current year	301	301		
Liabilities, minority interest, and capital, total	581 155	292 538	116 846	171 771
Memo: credit substitutes and other off-balance sheet commitments	45 965	27 862	16 134	1 969





**INCOME STATEMENT**  
(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>6 677</b>	<b>4 016</b>	<b>1 165</b>	<b>1 496</b>
Interest income from claims on financial institutions	368	42	60	266
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	1 157	1 017	91	49
Interest income from investment portfolio	0	0	0	0
Interest income from loans	5 152	2 957	1 014	1 181
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>3 792</b>	<b>988</b>	<b>996</b>	<b>1 808</b>
Interest expenditure on deposits of financial institutions	424	90	325	9
Interest expenditure on deposits of nonfinancial institutions and other customers	3 361	891	671	1 799
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	7	7	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>2 885</b>	<b>3 028</b>	<b>169</b>	<b>-312</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	240			
Reintegrated provisions	1 218			
Credit provisions, net	-978			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>63</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>22</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>2 229</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>6 026</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>151</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>148</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>14</b>			
<b>TAX</b>	<b>12</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>301</b>			



ROSEXIMBANK

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## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Roseximbank is a successor of the Trakia United Private Commercial Bank, Plovdiv, licensed by Resolution No. 77 of the BNB Managing Board 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.
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<b>Legal registration</b>	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.
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<b>Address of the head office</b>	4-6 Dondukov Blvd., Sofia 1000 tel. 02/980 25 38 Website: <a href="http://www.roseximbank.bg">www.roseximbank.bg</a>
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### 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  Miller & Behar Strategies., represented by Robert Joseph Miller
Management Board	Diana Zhivkova Mladenova – Chairman and Executive Director  Vladimir Ivanov Vladimirov – Chief Executive Director  Reni Hristova Petkova – Executive Director  Mincho Hristov Mihov – Executive Director  Kina Atanasova Koinarska – Member of the Management Board and Procurator  Plamen Borisov Itsov – Member of the Management Board and Procurator
Chief Procurator	Emil Alexandrov Kyulev
Procurators	Plamen Yordanov Milkov  Lyubomir Antonov Karimanski

### Shareholders (shares over 10%)

DZI AD – 50.09%; jointly with related parties – 69.78%

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	50 018	14 534	6 616	28 868
Claims on financial institutions, net	131 814	12	15 500	116 302
Claims under repurchase agreements	0	0	0	0
Trading portfolio	23 236	15 771	871	6 594
Investment portfolio	237	233	4	0
Loans to nonfinancial institutions and other customers, net	436 399	279 808	129 332	27 259
Loans to budget	60	60	0	0
Commercial loans	207 490	58 624	118 278	30 588
Commercial real estate and construction loans	0	0	0	0
Other commercial loans	207 490	58 624	118 278	30 588
Agricultural loans	4 749	935	3 814	0
Consumer loans	171 089	171 089	0	0
Housing mortgage loans to individuals	8 014	7 184	314	516
Other loans	65 215	49 718	11 695	3 802
Loans to nonfinancial institutions and other customers, total	456 617	287 610	134 101	34 906
Less: specific provisions	20 218	7 802	4 769	7 647
Assets for resale	783	783	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	4 633	4 037	482	114
Intangible assets	657	657	0	0
Premises and other fixed assets	29 498	29 498	0	0
Assets, total	677 275	345 333	152 805	179 137
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	20 277	20 253	16	8
Demand deposits of banks	7	4	0	3
Time deposits of banks	18 116	18 116	0	0
Deposits of other financial institutions	2 154	2 133	16	5
Deposits of nonfinancial institutions and other customers	532 784	230 330	110 599	191 855
Demand deposits	165 252	131 129	21 168	12 955
Time deposits	212 251	78 325	50 121	83 805
Savings deposits	155 281	20 876	39 310	95 095
Deposits, total	553 061	250 583	110 615	191 863
Borrowings under repurchase agreements	1 458	1 458	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	49	49	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	22 397	15 050	4 819	2 528
Liabilities, total	576 965	267 140	115 434	194 391
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	100 310	100 310		
Shareholder capital	28 530	28 530		
Reserves	66 380	66 380		
Profit/loss, current year	5 400	5 400		
Liabilities, minority interest, and capital, total	677 275	367 450	115 434	194 391
Memo: credit substitutes and other off-balance sheet commitments	79 676	35 764	34 072	9 840



# INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>12 276</b>	<b>9 608</b>	<b>2 049</b>	<b>619</b>
Interest income from claims on financial institutions	425	4	56	365
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	188	188	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	11 658	9 411	1 993	254
Dividend income	5	5	0	0
<b>INTEREST EXPENDITURE</b>	<b>2 124</b>	<b>1 601</b>	<b>296</b>	<b>227</b>
Interest expenditure on deposits of financial institutions	192	192	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	1 930	1 407	296	227
Interest expenditure on borrowings under repurchase agreements	2	2	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>10 152</b>	<b>8 007</b>	<b>1 753</b>	<b>392</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	2 515			
Reintegrated provisions	1 548			
Credit provisions, net	967			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>460</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>4 996</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>7 886</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>6 755</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-47</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>1 308</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>5 400</b>			



## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	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
<b>Legal registration</b>	Resolution No. 4024 of 26 June 1993 of the Varna Regional Court. A permit was given to Expressbank to be renamed SG Expressbank by Order No. 100-00504 of the BNB Governor dated 18 November 1999.
<b>Address of the head office</b>	92 Vladislav Varnenchik Blvd., Varna 9000 tel. 052/66 00; 02/937 04 76 Website: www.sgexpressbank.bg
<b>Management</b>	
Supervisory Board	Jacques Tournebize – Chairman
	Roger Bernard Servonet – Deputy Chairman
	Jean-Louis Mattei
	Andre-Marc Prudent
Management Board	Sandy Gillio – Chairman and Chief Executive Officer
	Philippe Guidez – Executive Vice President
	Gabriel Schoenholtzer – Executive Director
	Maria Stoyanova Dobрева
	Krassimir Georgiev Zhilov
<b>Shareholders</b> (shares over 10%)	
Societe Generale, Paris – 97.95%	



## T. C. ZIRAAT BANK, SOFIA BRANCH

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Commercial Banks in Bulgaria

### BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	1 295	0	1 295	892	175	228
Claims on financial institutions, net	14 120	3 472	10 648	3	10 307	338
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	23 965	0	23 965	0	19 785	4 180
Loans to nonfinancial institutions and other customers, net	250	0	250	47	94	109
Loans to budget	0	0	0	0	0	0
Commercial loans	391	0	391	218	77	96
Commercial real estate and construction loans	0	0	0	0	0	0
Other commercial loans	391	0	391	218	77	96
Agricultural loans	0	0	0	0	0	0
Consumer loans	77	0	77	47	17	13
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	0	0	0	0	0	0
Loans to nonfinancial institutions and other customers, total	468	0	468	265	94	109
Less: specific provisions	218	0	218	218	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	91	0	91	89	2	0
Intangible assets	507	0	507	507	0	0
Premises and other fixed assets	84	0	84	84	0	0
Assets, total	40 312	3 472	36 840	1 622	30 363	4 855
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	2 514	2 514	0	0	0	0
Demand deposits of banks	2 514	2 514	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 nonfinancial institutions and other customers	10 536	0	10 536	1 696	4 021	4 819
Demand deposits	6 180	0	6 180	1 623	3 068	1 489
Time deposits	4 356	0	4 356	73	953	3 330
Savings deposits	0	0	0	0	0	0
Deposits, total	13 050	2 514	10 536	1 696	4 021	4 819
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	25 000	25 000	0	0	0	0
Other liabilities	265	0	265	171	80	14
Liabilities, total	38 315	27 514	10 801	1 867	4 101	4 833
Reserves and financial result, total	1 997	1 845	152	152		
Reserves	1 845	1 845	0	0		
Profit/loss, current year	152	0	152	152		
Liabilities, reserves, and financial result, total	40 312	29 359	10 953	2 019	4 101	4 833
Memo: credit substitutes and other off-balance sheet commitments	149	0	149	20	115	14



## T. C. ZIRAAT BANK, SOFIA BRANCH

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### INCOME STATEMENT

(March 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>418</b>	<b>3</b>	<b>415</b>	<b>1</b>	<b>345</b>	<b>69</b>
Interest income from claims on financial institutions	61	3	58	0	57	1
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	352	0	352	0	284	68
Interest income from loans	5	0	5	1	4	0
Dividend income	0	0	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>35</b>	<b>0</b>	<b>35</b>	<b>6</b>	<b>11</b>	<b>18</b>
Interest expenditure on deposits of financial institutions	0	0	0	0	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	35	0	35	6	11	18
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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>383</b>	<b>3</b>	<b>380</b>	<b>-5</b>	<b>334</b>	<b>51</b>
<b>CREDIT PROVISIONS</b>						
Accrued provisions	0	0	0			
Reintegrated provisions	0	0	0			
Credit provisions, net	0	0	0			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>38</b>	<b>0</b>	<b>38</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>250</b>	<b>0</b>	<b>250</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>171</b>	<b>3</b>	<b>168</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>17</b>	<b>0</b>	<b>17</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<b>TAX</b>	<b>36</b>	<b>0</b>	<b>36</b>			
<b>PROFIT/LOSS, NET</b>	<b>152</b>	<b>3</b>	<b>149</b>			

Balance Sheets and Income Statements of Individual Commercial Banks



## T. C. ZIRAAT BANK, SOFIA BRANCH

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### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	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.
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<b>Legal registration</b>	Company file No. 8801 of 1998 of the Sofia City Court, lot No. 863, vol. 15, p. 173
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<b>Address of the branch</b>	19 Sveta Nedelya Sq., Sofia 1000 tel. 02/980 00 87 e-mail: ziraat@medicom.bg
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#### Management

Management Board	Sezgin Bayar – President  Gurgan Sener – Vice President
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#### Shareholders (shares over 10%)

T. C. Ziraat Bank, Ankara, Turkey – 100%
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# TEXIM PRIVATE ENTREPRENEURIAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	(BGN 000, Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	836	186	143	507
Claims on financial institutions, net	5 096	58	3 198	1 840
Claims under repurchase agreements	700	700	0	0
Trading portfolio	725	725	0	0
Investment portfolio	76	76	0	0
Loans to nonfinancial institutions and other customers, net	16 685	5 413	8 012	3 260
Loans to budget	0	0	0	0
Commercial loans	17 126	7 902	5 889	3 335
Commercial real estate and construction loans	9 500	5 045	3 345	1 110
Other commercial loans	7 626	2 857	2 544	2 225
Agricultural loans	307	239	68	0
Consumer loans	2 190	458	1 707	25
Housing mortgage loans to individuals	477	2	342	133
Other loans	180	54	124	2
Loans to nonfinancial institutions and other customers, total	20 280	8 655	8 130	3 495
Less: specific provisions	3 595	3 242	118	235
Assets for resale	644	644	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 451	628	817	6
Intangible assets	189	189	0	0
Premises and other fixed assets	6 877	6 877	0	0
Assets, total	33 279	15 496	12 170	5 613
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	1 567	1 553	14	0
Demand deposits of banks	0	0	0	0
Time deposits of banks	1 550	1 550	0	0
Deposits of other financial institutions	17	3	14	0
Deposits of nonfinancial institutions and other customers	11 009	4 424	3 171	3 414
Demand deposits	3 274	2 766	243	265
Time deposits	6 609	1 290	2 273	3 046
Savings deposits	1 126	368	655	103
Deposits, total	12 576	5 977	3 185	3 414
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	2 791	2 791	0	0
Subordinated term debt and debt/equity (hybrid) instruments	1 241	0	677	564
Other liabilities	2 035	1 251	782	2
Liabilities, total	18 643	10 019	4 644	3 980
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	14 636	14 636		
Shareholder capital	10 000	10 000		
Reserves	4 518	4 518		
Profit/loss, current year	118	118		
Liabilities, minority interest, and capital, total	33 279	24 655	4 644	3 980
Memo: credit substitutes and other off-balance sheet commitments	435	336	52	47



# TEXIM PRIVATE ENTREPRENEURIAL BANK

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Commercial Banks in Bulgaria

## INCOME STATEMENT (March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>591</b>	<b>126</b>	<b>256</b>	<b>209</b>
Interest income from claims on financial institutions	16	1	10	5
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	1	1	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	574	124	246	204
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>73</b>	<b>19</b>	<b>27</b>	<b>27</b>
Interest expenditure on deposits of financial institutions	4	4	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	51	13	18	20
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	2	2	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	16	0	9	7
Interest expenditure on other liabilities	0	0	0	0
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>518</b>	<b>107</b>	<b>229</b>	<b>182</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	25			
Reintegrated provisions	83			
Credit provisions, net	-58			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>168</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>725</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>19</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>99</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>0</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>118</b>			



## TEXIM PRIVATE ENTREPRENEURIAL BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

### STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	Protocol Resolution No. 243 of 4 March 1992 of the BNB Managing Board, Resolution No. 248 of 11 April 1997 of the BNB Managing Board. License updated by Order No. 100-00570 of the BNB Governor dated 23 December 1999.
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<b>Legal registration</b>	Company file No. 24103 of the Sofia City Court of 1992, lot No. 4542, vol. 89, p. 180
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<b>Address of the head office</b>	107 Knyaginya Maria-Luiza Blvd., Sofia 1000 tel. 02/833 32 40; 931 40 38; 931 80 38 Website: <a href="http://www.teximbank.bg">www.teximbank.bg</a>
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#### Management

Supervisory Board	Marieta Georgieva Naidenova
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Rosen Ivanov Chobanov

Madlena Dimova Dimova

Management Board	Maria Petrova Vidolova – Chairman and Chief Executive Director
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Elena Borisova Delcheva – Executive Director

Boyan Petrov Kamenov

#### Shareholders (shares over 10%)

Paton Anstalt – 27.33%

Marieta Georgieva Naidenova – 15.24%

Pavlina Georgieva Naidenova – 15.09%



TOKUDA BANK

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Commercial Banks in Bulgaria

**BALANCE SHEET AS OF 31 MARCH 2004**

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
(BGN 000)				
ASSETS				
Vault cash and current accounts with the BNB	2 836	1 992	280	564
Claims on financial institutions, net	7 801	0	4 790	3 011
Claims under repurchase agreements	0	0	0	0
Trading portfolio	16 228	9 583	4 369	2 276
Investment portfolio	11	10	1	0
Loans to nonfinancial institutions and other customers, net	18 895	8 828	7 068	2 999
Loans to budget	0	0	0	0
Commercial loans	16 661	5 818	6 974	3 869
Commercial real estate and construction loans	2 629	1 075	1 179	375
Other commercial loans	14 032	4 743	5 795	3 494
Agricultural loans	3 231	3 032	165	34
Consumer loans	393	307	0	86
Housing mortgage loans to individuals	0	0	0	0
Other loans	1 275	1 183	0	92
Loans to nonfinancial institutions and other customers, total	21 560	10 340	7 139	4 081
Less: specific provisions	2 665	1 512	71	1 082
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	468	409	0	59
Intangible assets	175	175	0	0
Premises and other fixed assets	2 542	2 542	0	0
Assets, total	48 956	23 539	16 508	8 909
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	389	50	179	160
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	389	50	179	160
Deposits of nonfinancial institutions and other customers	28 698	7 466	1 995	19 237
Demand deposits	7 606	4 902	985	1 719
Time deposits	21 092	2 564	1 010	17 518
Savings deposits	0	0	0	0
Deposits, total	29 087	7 516	2 174	19 397
Borrowings under repurchase agreements	3 271	3 271	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	3 651	3 651	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	816	638	63	115
Liabilities, total	36 825	15 076	2 237	19 512
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	12 131	12 131		
Shareholder capital	30 000	30 000		
Reserves	-17 733	-17 733		
Profit/loss, current year	-136	-136		
Liabilities, minority interest, and capital, total	48 956	27 207	2 237	19 512
Memo: credit substitutes and other off-balance sheet commitments	9 620	8 579	681	360



# INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>951</b>	<b>497</b>	<b>271</b>	<b>183</b>
Interest income from claims on financial institutions	33	2	27	4
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	282	180	65	37
Interest income from investment portfolio	0	0	0	0
Interest income from loans	636	315	179	142
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>262</b>	<b>52</b>	<b>12</b>	<b>198</b>
Interest expenditure on deposits of financial institutions	0	0	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	240	30	12	198
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	22	22	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>689</b>	<b>445</b>	<b>259</b>	<b>-15</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	503			
Reintegrated provisions	214			
Credit provisions, net	289			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>6</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>169</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>696</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>-121</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-15</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>0</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>-136</b>			



## STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004

<b>License granted by the BNB</b>	No. 14004410 of 5 October 1994 by Resolution No. 365 of 1 December 1994 of the BNB Managing Board. 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.
<b>Legal registration</b>	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.
<b>Address of the head office</b>	1, 6th September Str., Sofia 1000 tel. 032/63 14 14; 02/981 01 67; 02/937 00 30
<b>Management</b>	
Supervisory Board	Takahito Ohashi – Chairman  International Hospital Services Co., represented by Rumen Slaveikov Serbezov  Tokushukai, Sofia, represented by Lyubomir Petrov Dachev, Lachezar Kostadinov Dinchev and Momchil Tsenov Krustev
Management Board	Stoyan Iliev Alexandrov – Chairman and Executive Director  Yuli Todorov Popov – Executive Director  Lozana Lyubenova Slavchova
<b>Shareholders</b> (shares over 10%)	International Hospital Services Co. – 93.84%



UNIONBANK

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Balance Sheets and Income Statements of Individual Commercial Banks

**BALANCE SHEET AS OF 31 MARCH 2004**

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	14 048	4 293	1 580	8 175
Claims on financial institutions, net	49 169	4 166	13 465	31 538
Claims under repurchase agreements	0	0	0	0
Trading portfolio	39 187	13 982	21 728	3 477
Investment portfolio	3 361	1 051	2 310	0
Loans to nonfinancial institutions and other customers, net	152 264	37 711	84 097	30 456
Loans to budget	0	0	0	0
Commercial loans	149 737	30 767	86 646	32 324
Commercial real estate and construction loans	65 586	3 428	46 876	15 282
Other commercial loans	84 151	27 339	39 770	17 042
Agricultural loans	6 546	6 546	0	0
Consumer loans	2 419	1 604	774	41
Housing mortgage loans to individuals	183	0	183	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	158 885	38 917	87 603	32 365
Less: specific provisions	6 621	1 206	3 506	1 909
Assets for resale	25	25	0	0
Investments in unconsolidated subsidiaries and associated companies	500	500	0	0
Other assets, net	1 148	1 130	10	8
Intangible assets	1 052	1 052	0	0
Premises and other fixed assets	4 078	4 078	0	0
Assets, total	264 832	67 988	123 190	73 654
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	6 648	6 087	1	560
Demand deposits of banks	177	13	0	164
Time deposits of banks	4 437	4 437	0	0
Deposits of other financial institutions	2 034	1 637	1	396
Deposits of nonfinancial institutions and other customers	164 151	52 595	48 680	62 876
Demand deposits	48 508	31 434	11 179	5 895
Time deposits	111 615	20 924	35 243	55 448
Savings deposits	4 028	237	2 258	1 533
Deposits, total	170 799	58 682	48 681	63 436
Borrowings under repurchase agreements	4 959	4 959	0	0
Short-term borrowings	3 202	0	0	3 202
Long-term borrowings	32 063	1 416	22 541	8 106
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	8 932	6 527	1 919	486
Liabilities, total	219 955	71 584	73 141	75 230
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	44 877	44 877		
Shareholder capital	15 412	15 412		
Reserves	27 358	27 358		
Profit/loss, current year	2 107	2 107		
Liabilities, minority interest, and capital, total	264 832	116 461	73 141	75 230
Memo: credit substitutes and other off-balance sheet commitments	31 726	19 602	8 252	3 872



UNIONBANK

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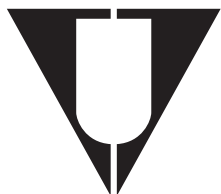
Commercial Banks in Bulgaria

# INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>4 980</b>	<b>1 152</b>	<b>2 790</b>	<b>1 038</b>
Interest income from claims on financial institutions	105	7	32	66
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	642	151	315	176
Interest income from investment portfolio	36	0	36	0
Interest income from loans	4 197	994	2 407	796
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>1 961</b>	<b>344</b>	<b>817</b>	<b>800</b>
Interest expenditure on deposits of financial institutions	39	39	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	1 165	225	441	499
Interest expenditure on borrowings under repurchase agreements	52	52	0	0
Interest expenditure on borrowings	472	7	337	128
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	233	21	39	173
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>3 019</b>	<b>808</b>	<b>1 973</b>	<b>238</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	1 499			
Reintegrated provisions	1 260			
Credit provisions, net	239			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>1 512</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>7</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>2 232</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>3 593</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>2 938</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-321</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>510</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>2 107</b>			



**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Protocol Resolution of 20 October 1994 of the BNB Managing Board 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.
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<b>Legal registration</b>	Company file No. 31533 of 1992, lot No. 648, vol. 12, p. 75
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<b>Address of the head office</b>	10-12 Damyan Gruev Str., Sofia 1000 tel. 02/9153 333; 9153 315 Website: <a href="http://www.unionbank.bg">www.unionbank.bg</a>
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**Management**

Supervisory Board	Ivan Totev Radev – Chairman
	Emanuil Yankov Manolov – Deputy Chairman
	Emil Ivanov Ivanov
	Andrew Seton
	Boras, represented by Georgi Nikolov Atanasov
Management Board	Anna Ivanova Asparouhova – Chairman
	Todor Kostadinov Nikolov – Deputy Chairman
	Dorcho Dimitrov Ilchev
	Evgeni Petkov Gospodinov
	Tatyana Kotseva-Radilova

**Shareholders**  
(shares over 10%)

Union Group – 21.83%
EBRD – 15%
Boras – 14.14%



## BALANCE SHEET AS OF 31 MARCH 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	131 985	59 965	13 109	58 911
Claims on financial institutions, net	177 815	17 938	18 451	141 426
Claims under repurchase agreements	14 722	5 912	8 451	359
Trading portfolio	217 920	60 786	44 163	112 971
Investment portfolio	75 152	3 793	57 405	13 954
Loans to nonfinancial institutions and other customers, net	1 127 219	695 272	370 412	61 535
Loans to budget	3 357	3 357	0	0
Commercial loans	742 774	317 858	367 047	57 869
Commercial real estate and construction loans	54 304	23 441	25 611	5 252
Other commercial loans	688 470	294 417	341 436	52 617
Agricultural loans	58 929	48 673	6 653	3 603
Consumer loans	254 747	254 430	291	26
Housing mortgage loans to individuals	102 509	100 807	1 051	651
Other loans	6 360	4 906	1 080	374
Loans to nonfinancial institutions and other customers, total	1 168 676	730 031	376 122	62 523
Less: specific provisions	41 457	34 759	5 710	988
Assets for resale	601	601	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	10 311	10 239	72	0
Intangible assets	25 235	25 235	0	0
Premises and other fixed assets	74 888	74 888	0	0
Assets, total	1 855 848	954 629	512 063	389 156
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	36 526	18 837	11 097	6 592
Demand deposits of banks	10 538	4 197	4 334	2 007
Time deposits of banks	8 476	2 018	3 614	2 844
Deposits of other financial institutions	17 512	12 622	3 149	1 741
Deposits of nonfinancial institutions and other customers	1 462 766	686 080	400 795	375 891
Demand deposits	501 219	373 242	80 001	47 976
Time deposits	578 639	222 103	174 003	182 533
Savings deposits	382 908	90 735	146 791	145 382
Deposits, total	1 499 292	704 917	411 892	382 483
Borrowings under repurchase agreements	15 749	5 203	10 546	0
Short-term borrowings	0	0	0	0
Long-term borrowings	21 744	11 965	9 779	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	40 855	34 677	4 654	1 524
Liabilities, total	1 577 640	756 762	436 871	384 007
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	278 208	278 208		
Shareholder capital	75 964	75 964		
Reserves	185 391	185 391		
Profit/loss, current year	16 853	16 853		
Liabilities, minority interest, and capital, total	1 855 848	1 034 970	436 871	384 007
Memo: credit substitutes and other off-balance sheet commitments	148 670	66 195	61 123	21 352



# UNITED BULGARIAN BANK

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Balance Sheets and Income Statements of Individual Commercial Banks

## INCOME STATEMENT

(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>32 710</b>	<b>22 862</b>	<b>8 098</b>	<b>1 750</b>
Interest income from claims on financial institutions	641	48	117	476
Interest income from claims under repurchase agreements	81	11	68	2
Interest income from trading portfolio	2 027	880	559	588
Interest income from investment portfolio	659	71	478	110
Interest income from loans	29 302	21 852	6 876	574
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>4 586</b>	<b>3 069</b>	<b>1 069</b>	<b>448</b>
Interest expenditure on deposits of financial institutions	119	59	34	26
Interest expenditure on deposits of nonfinancial institutions and other customers	4 178	2 782	974	422
Interest expenditure on borrowings under repurchase agreements	70	9	61	0
Interest expenditure on borrowings	219	219	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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>28 124</b>	<b>19 793</b>	<b>7 029</b>	<b>1 302</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	11 960			
Reintegrated provisions	9 361			
Credit provisions, net	2 599			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>4 190</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>-1 302</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>12 715</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>24 491</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>16 637</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>-481</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>4 779</b>			
<b>TAX</b>	<b>4 082</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>16 853</b>			


**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Resolution of the BNB Managing Board of 25 February 1991. Updated by Order No. 100-00487 of 17 November 1999.
<b>Legal registration</b>	Entered on company file No. 31848 of the Sofia City Court of 1992, lot No. 376, vol. 8, p. 105
<b>Address of the head office</b>	5 Sv. Sofia Str., Sofia 1000 tel. 02/811 28 00 Website: www.ubb.bg

**Management**

Board of Directors	Stilian Petkov Vatev – Chief Executive Director  Christos Katsanis – Executive Director  Radka Ivanova Toncheva – Executive Director  Sally Ann Warren  Agis Leopoulos  Alexandros Tourkolias  Efstratios-Georgios Arapoglou*  Anthimos Thomopoulos*  Ioannis Pechlivanidis*
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**Shareholders**  
(shares over 10%)

National Bank of Greece – 89.9%
European Bank for Reconstruction and Development – 10%

\* Newly elected members. Apostolos Tamvakakis and Georgios Aronis are removed from office. A Chairman and a deputy chairman of UBB Board of Directors have not yet been elected.



**WestEast Bank**

**WESTEAST BANK**

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Balance Sheets and Income Statements of Individual Commercial Banks

**BALANCE SHEET AS OF 31 MARCH 2004**

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	864	280	146	438
Claims on financial institutions, net	19 533	3	18 290	1 240
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	1 922	0	1 922	0
Loans to nonfinancial institutions and other customers, net	5 778	382	4 461	935
Loans to budget	0	0	0	0
Commercial loans	5 307	48	4 307	952
Commercial real estate and construction loans	1 543	0	1 543	0
Other commercial loans	3 764	48	2 764	952
Agricultural loans	337	337	0	0
Consumer loans	209	3	206	0
Housing mortgage loans to individuals	16	0	16	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	5 869	388	4 529	952
Less: specific provisions	91	6	68	17
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	173	149	24	0
Intangible assets	727	727	0	0
Premises and other fixed assets	653	653	0	0
Assets, total	29 650	2 194	24 843	2 613
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	3	3	0	0
Demand deposits of banks	0	0	0	0
Time deposits of banks	3	3	0	0
Deposits of other financial institutions	0	0	0	0
Deposits of nonfinancial institutions and other customers	2 952	1 903	910	139
Demand deposits	2 876	1 882	856	138
Time deposits	76	21	54	1
Savings deposits	0	0	0	0
Deposits, total	2 955	1 906	910	139
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	11 645	8 284	880	2 481
Long-term borrowings	928	928	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	105	105	0	0
Liabilities, total	15 633	11 223	1 790	2 620
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	14 017	14 017		
Shareholder capital	13 691	13 691		
Reserves	603	603		
Profit/loss, current year	-277	-277		
Liabilities, minority interest, and capital, total	29 650	25 240	1 790	2 620
Memo: credit substitutes and other off-balance sheet commitments	4 931	157	342	4 432



**WestEast Bank**

**WESTEAST BANK**

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Commercial Banks in Bulgaria

**INCOME STATEMENT**  
(March 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
<b>INTEREST AND DIVIDEND INCOME</b>	<b>231</b>	<b>4</b>	<b>204</b>	<b>23</b>
Interest income from claims on financial institutions	86	0	80	6
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	25	0	22	3
Interest income from loans	120	4	102	14
Dividend income	0	0	0	0
<b>INTEREST EXPENDITURE</b>	<b>31</b>	<b>21</b>	<b>6</b>	<b>4</b>
Interest expenditure on deposits of financial institutions	28	21	3	4
Interest expenditure on deposits of nonfinancial institutions and other customers	3	0	3	0
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
<b>INTEREST AND DIVIDEND INCOME, NET</b>	<b>200</b>	<b>-17</b>	<b>198</b>	<b>19</b>
<b>CREDIT PROVISIONS</b>				
Accrued provisions	62			
Reintegrated provisions	4			
Credit provisions, net	58			
<b>TRADING PORTFOLIO GAIN/LOSS</b>	<b>0</b>			
<b>GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE</b>	<b>52</b>			
<b>GAIN/LOSS ON INVESTMENTS HELD TO MATURITY</b>	<b>0</b>			
<b>OTHER NONINTEREST INCOME</b>	<b>42</b>			
<b>NONINTEREST EXPENDITURE</b>	<b>556</b>			
<b>GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS</b>	<b>-320</b>			
<b>FOREX REVALUATION GAIN/LOSS</b>	<b>43</b>			
<b>EXTRAORDINARY GAIN/LOSS</b>	<b>0</b>			
<b>TAX</b>	<b>0</b>			
<b>MINORITY INTEREST</b>	<b>0</b>			
<b>PROFIT/LOSS, NET</b>	<b>-277</b>			



**WestEast Bank**

**WESTEAST BANK**

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Balance Sheets and Income Statements of Individual Commercial Banks

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 MARCH 2004**

<b>License granted by the BNB</b>	Order No. RD 22-1067 of 13 August 2003 of the BNB Governor entitling the WestEast Bank to conduct bank activities in Bulgaria and abroad.
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<b>Legal registration</b>	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
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<b>Address of the head office</b>	36 Dragan Tsankov Blvd., Sofia 1000 Interpred World Trade Center, Bl. B, No. 105 tel. 02/970 24 10
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**Management**

Supervisory Board	Boris Pesjak – Chairman
	Darko Horvat – Deputy Chairman
	Janez Sencar
	Mattias Eckert
	Andrej Hazabent
Management Board	Dusan Valencic – Chairman
	Matej Falatov – Deputy Chairman
	Bogdan Podlesnik

**Shareholders**  
(shares over 10%)

Activa Holdings BV, Amsterdam – 72.51%
LB Maxima, Ljubljana – 24.50%

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