

QUARTERLY
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Commercial Banks in Bulgaria

December 2004

125



YEARS

BULGARIAN
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BANK

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CONTENTS

I. State of the Banking System (fourth quarter of 2004)	5
II. Methodological Notes	41
III. Banking Supervision Regulations	43
IV. Balance Sheets and Income Statements (as of December 2004)	49
V. Balance Sheets and Income Statements of Individual Commercial Banks	67

I. State of the Banking System

(fourth quarter of 2004)

1. Introduction	7
2. The Banking System	7
2.1. Structure, Changes and Trends	7
2.2. Liabilities and Equity Structure	12
2.3. Dynamics of Major Balance-sheet Aggregates by Bank Group	15
3. State and Trends of Operational Results	17
4. Banking System Risk Profile: Major Bank Risks	18
5. Asset Quality 'A'	20
5.1. The Increased Credit Risk Zone	21
5.2. Provision Analysis	24
6. Earnings 'E'	24
7. Capital 'C'	28
7.1. Capital Adequacy Level and Trends	28
7.2. Capital in Excess of Capital Base Regulations	30
8. Liquidity 'L'	30
8.1. Major Liquidity Indicators Level and Trends	31
Appendix 1	33
Appendix 2	36

1. Introduction

This report includes analyses of major trends in the banking system in the fourth quarter of 2004. Monthly and quarterly supervisory reports and on-site inspection and special supervision findings form the basis of the analysis. The risk profile of the banking system and that of individual banks was determined using the CAMELS/CAEL assessment methods. Complex CAMELS ratings are assigned as part of full supervisory inspections, 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 average values (for the banking system). This helps avoid 'contaminating' the 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 bank groups which form the banking system, and pinpoints similarities and differences in the behaviour of institutions which have less influence within the banking system. This classification is made only for analytical purposes and relates directly to the 'average values' or medians for any individual bank group introduced by the new Unified Bank Performance Report (UBPR). The larger number of banks in each group allows for more precise computation of medians while offsetting the effect of extreme values of indicators at individual banks (these values are taken into account in analysing the profiles of relevant banks, and their significance for the bank group or the banking system is not underestimated). Over the fourth quarter new coefficients, in addition to the existing under UBPR, were developed and introduced.

During the first quarter of 2005 the name of *UNIBANK* was changed to *International Asset Bank* and the name of *Demirbank* was changed to *D Commerce Bank*.

2. The Banking System

2.1. Structure, Changes and Trends

At the end of 2004 banking system assets reached BGN 24,917,359,000: up 43.85 per cent (BGN 7,594,842,000 in absolute terms) on the end of 2003.¹ Over the last quarter of 2004 assets posted a record high growth of 15.63 per cent (BGN 3,367,579,000 in absolute terms). It should be noted that this was the most significant increase in the system's assets within a quarter taking into account asset growth rates since early 2004.² Actually, this growth is greater than the annual rates in most of the recent seven years. The significant asset growth was largely due to effected payments on privatisation transactions of energy distribution companies.³ All institutions' assets continued to increase, save for two banks and three foreign bank branches. Group I banks' assets grew most substantially contributing by 75 per cent or BGN 2515 million to overall asset growth. Group II banks were more active compared to September and reported growth of 10.95 per cent (BGN 491 million). Reverse trends in foreign bank branches' assets resulted in asset growth of 25 per cent reflecting significantly expanded activities in one of the branches.

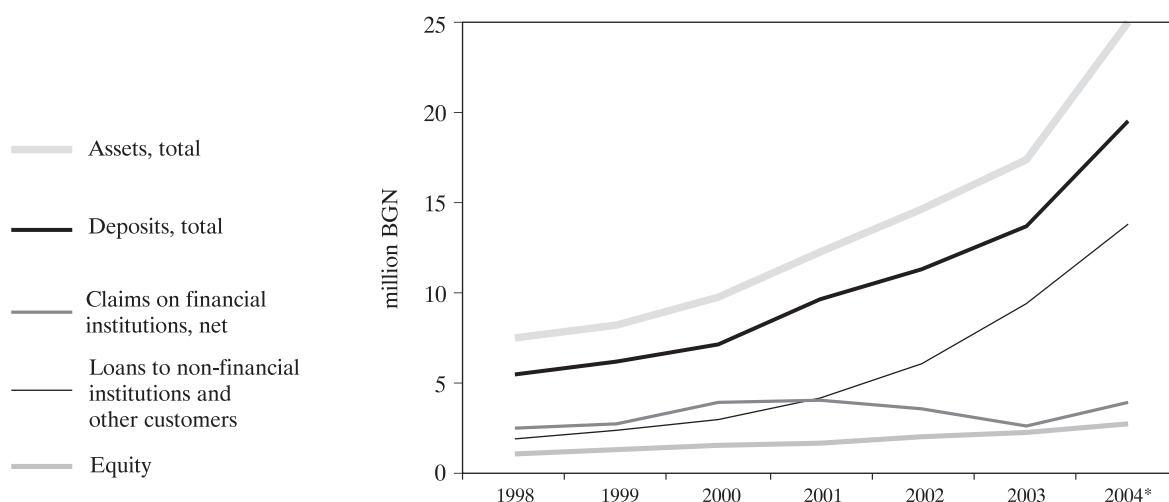
¹ It should be noted that data from bank auditor's reports were used for 2003, while unaudited data as of December were employed for 2004 in comparing values for the 2003 – 2004 period. Correspondingly, when values for the 1998 – 2004 period are compared in the tables and charts, the sign * indicates that data for 2004 were not audited.

² Over the previous three quarters banking system assets grew by 7 – 8 per cent or by some BGN 1400 million quarterly.

³ If the one-off effect of these transactions of BGN 1354 million were deducted, the actual asset growth would be BGN 2014 million or 9.34 per cent.

Chart 1

Dynamics of Major Balance-sheet Aggregates



* Data for 2004 unaudited.

Over the review period changes in commercial bank balance-sheet aggregates were as follows:

Cash followed the previous two quarters' trend rising by BGN 769 million to reach 10.70 per cent of total banking assets by end-2004. Since early 2004 cash funds have grown by 63.67 per cent or BGN 1037 million: the largest relative increase in this balance-sheet aggregate, despite lower amounts compared with other balance-sheet items. The growth in the fourth quarter reflected increased funds on banks' settlement accounts with the BNB (a result of the change in calculating minimum required reserves) as well as processes associated with expectations of increasing payments in the last quarter of each year. *Net claims on financial institutions* rose by BGN 719 million or 22.45 per cent to reach 15.75 per cent of banking assets, a result of the significant increase in one of the foreign bank branches. Since early 2004 these claims have risen by 52.39 per cent or BGN 1349 million. Although 15 banks and three branches reported declines in these claims over the review quarter, the large amounts in a number of institutions from all three groups compensated these declines. Group I banks reported an increase of BGN 351 million (17.66 per cent) in this aggregate. Since early 2004 funds deposited in foreign banks have steadily grown, with their share reaching 78 per cent in *placements with banks* (72 per cent over the first quarter of 2004). During the last quarter funds deposited abroad (deposits and claims) rose by BGN 590 million while placements with local banks increased by BGN 125 million returning to early-year levels. Insofar as *claims on banks and other financial institutions* are strongly influenced by the above operations, it is hard to estimate how long its current value will remain a stable source of liquidity.

Chart 2

Claims on Financial Institutions

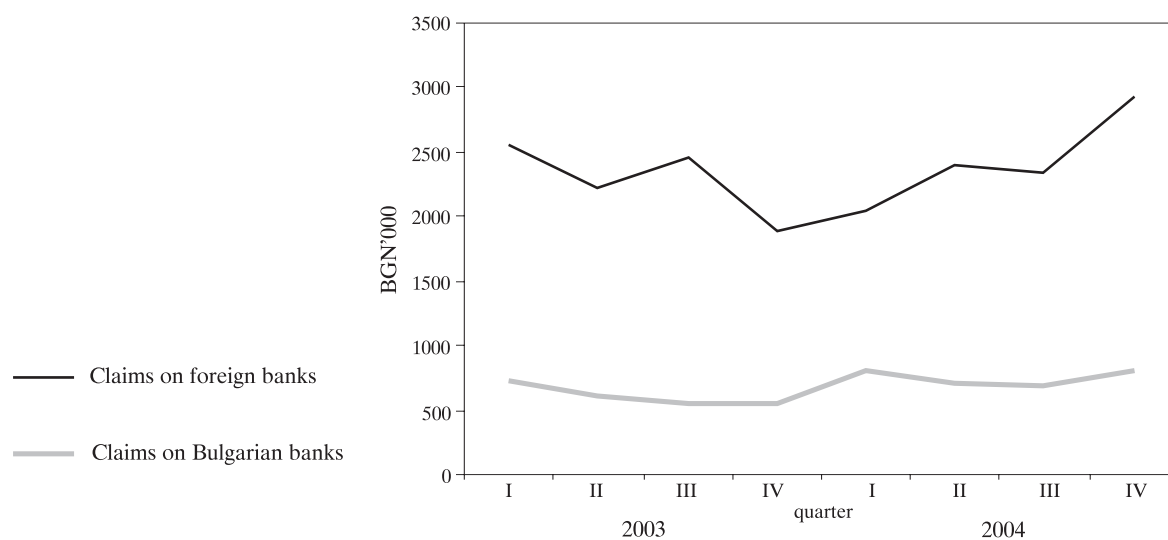
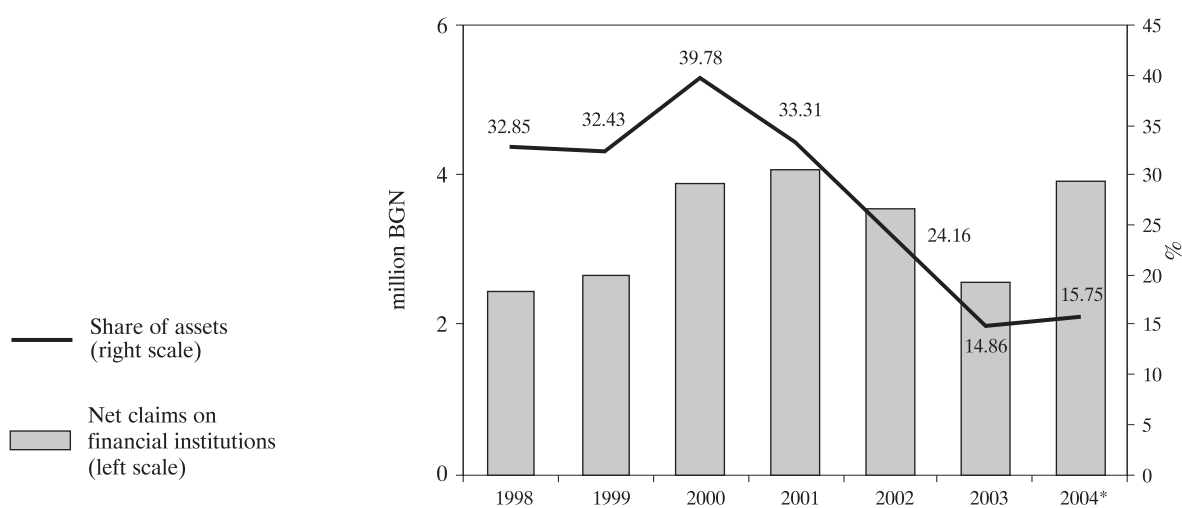


Chart 3

Net Claims on Financial Institutions



* Data for 2004 unaudited.

Over the last twelve months *trading portfolio assets* posted an increase of 47.91 per cent (BGN 655 million). They rose by BGN 516 million (34.31 per cent) on September, with their share reaching 8.11 per cent in total assets. For the second quarter in a row the small- and medium-sized bank group reported declines in government securities trading portfolio (down BGN 36 million) which was associated with progressive restructuring of their assets with a view to ensuring necessary resources to finance credit growth. Although banks increased tradable securities of foreign issuers over the recent quarters, securities of local issuers (primarily Bulgarian government securities) still dominate in the trading portfolios of most institutions. This pertains largely to Group II banks in which foreign issuers' securities comprised merely 1 per cent of the whole portfolio (5 per cent as of September) and to foreign bank branches whose portfolios included entirely local issuers' securities. As regards Group I banks, the share of foreign issuers' securities rose from 21 per cent as of September to 46 per cent as of December, with the increase reflecting investment in government securities issued by the countries from the list under Appendices 1 and 2 of the BNB Ordinance No. 8. Investment in other currencies continued to decrease, with the ratio between investment in levs and euro and that in other currencies reaching 88 per cent to 12 per cent as of December (84 per cent to 16 per cent as of September). This shows banks' attempts to reduce the risk of US dollar exchange rate fluctuations on international markets.

The established trend toward *investment portfolio* growth in Group II banks and in some branches was sustained during the fourth quarter. Group I banks reported further declines. Over a one-year horizon this portfolio rose just 4.19 per cent or BGN 72 million. For the first time since the beginning of 2004 trading portfolio assets exceeded investment portfolio assets. Debt securities placements by foreign issuers meeting the criteria of reporting at fair value remained unchanged, with their share staying at nearly 5 per cent of the overall banking investment portfolio.

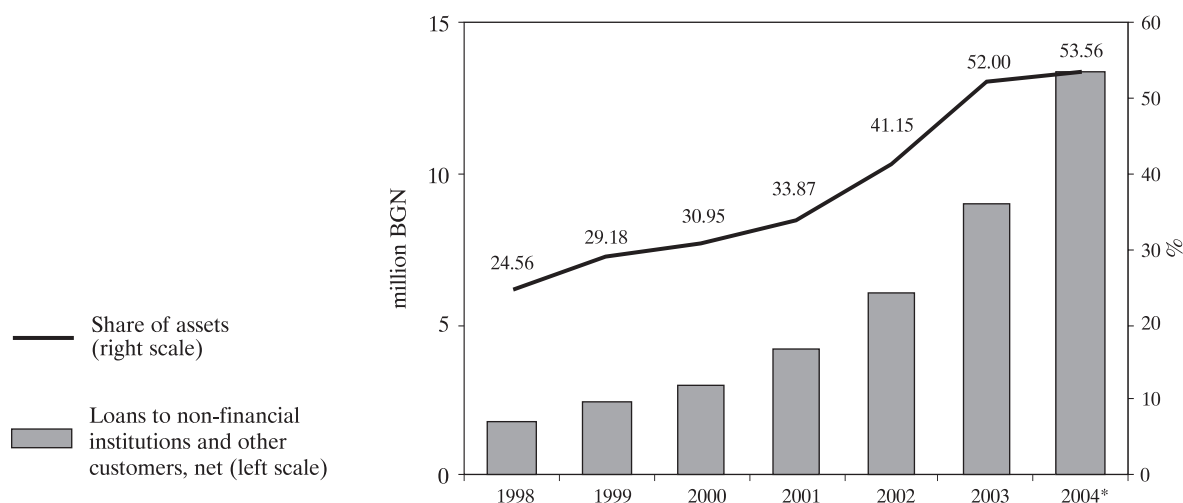
The fourth quarter of 2004 saw the highest quarterly growth of *loans to non-financial institutions and other customers* for 2004. Despite the additional expanding of the minimum required reserve scope in December, most banks continued increasing their credit portfolios. Loans rose by BGN 1378 million or 11.09 per cent to reach BGN 13,811 million.⁴ Credit growth of 47.24 per cent over the last 12 months was significantly lower than that reported for the 2002 – 2003 period (52.84 per cent). However, of note are higher amounts (BGN 4431 million for 2003 – 2004) compared to the previous 12-month period (BGN 3243 million). Taking into account impairment loss through allocated provisions, credit growth came to 11.18 per cent against 10.30 per cent in the previous quarter. Although credit growth in relative terms was lower than growth in all other balance-sheet aggregates,⁵ different amounts in which they are calculated should be taken into account. Traditionally, Group I banks were the leaders in lending (BGN 1102 million, with the first five biggest banks reporting two thirds of the banking credit portfolio growth). Due to the increase in other balance-sheet aggregates, the share of net credit in total banking system assets slightly fell over the fourth quarter to reach 53.56 per cent (55.70 per cent as of end-September). Unfavourable trends emerged in some banks in which claims exceeded assets by 50 per cent and continued rising together with the increasing credit risk (migration of loans to higher-risk groups). The structure of the system's credit portfolio underwent no changes: commercial loans' share continued gradually falling while the share of consumer and housing mortgage loans increased (see the chart). Due to higher demand, housing mortgage loans to individuals (up 30.54 per cent) and consumer loans (up 11.60 per cent) experienced the strongest dynamics. Commercial loans grew by 10.45 per cent. However, their amounts were the largest (BGN 894 million or nearly two thirds of the banking portfolio growth). Favourable trends in incomes and employment, as well as decreased interest rates on household loans (the most clearly pronounced in housing loans) gave rise to expectations of progressive increase in this segment at similar rates.

⁴ It is important to note that net loans rose at constant rates during the fourth quarter: by some 3.5 per cent monthly. No significant fluctuations, as in previous periods, were registered.

⁵ Except for the *investment portfolio* balance-sheet aggregate which decreased over the fourth quarter.

Chart 4

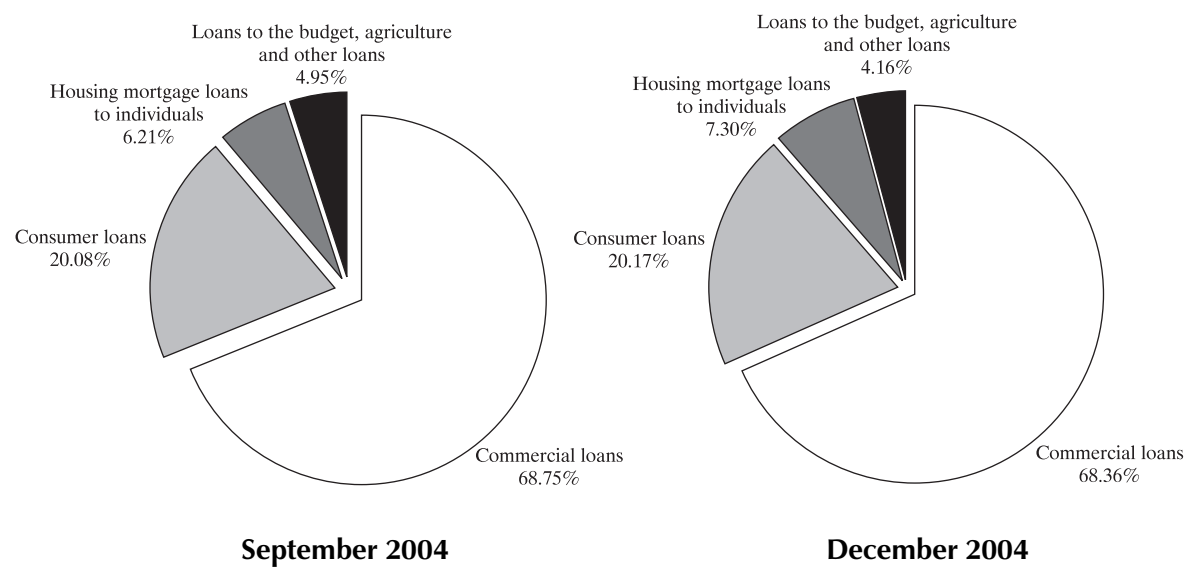
Loans to Non-financial Institutions and Other Customers



* Data for 2004 unaudited.

Chart 5

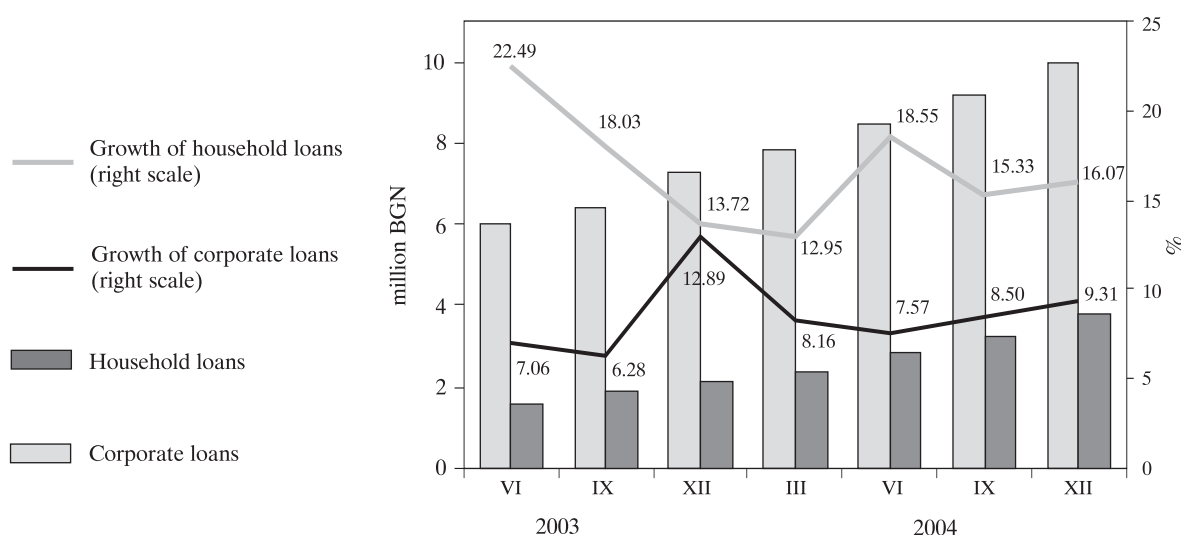
Credit Portfolio Structure



The *Premises and Other Fixed Assets*, and *Other Assets* items comprised a small share of under four percent of total banking assets, matching the previous quarters' levels.

Chart 6

Dynamics of Corporate and Household Loans



2.2. Liabilities and Equity Structure

The significant increase in the *deposit base* over the reporting quarter reflected primarily the above mentioned operations related to energy distribution companies' privatisation. The reported deposit base went up by BGN 3012 million or 18.24 per cent, the highest growth for 2004. Moreover, since early 2004 the deposit growth exceeded credit growth for the first time. Over a one-year horizon deposits grew by BGN 5926 million or 43.57 per cent. Besides, if the one-off effect of deposit base growth at the expense of distribution companies' privatisation were deducted, this increase would be BGN 4572 million or 33.61 per cent.⁶ By bank group, the quarterly growth was 18.20 per cent in Group I banks, 13.70 per cent in Group II banks and 28.85 per cent in foreign bank branches. *Deposits of financial institutions* rose by BGN 719 million or 34.63 per cent (1.84 per cent in the prior quarter) to reach BGN 2797 million. The trend to steady growth in deposits attracted from abroad was sustained: throughout 2004 they increased from BGN 499 million (47 per cent of total deposits by banks) to BGN 1255 million (61 per cent of deposits).⁷

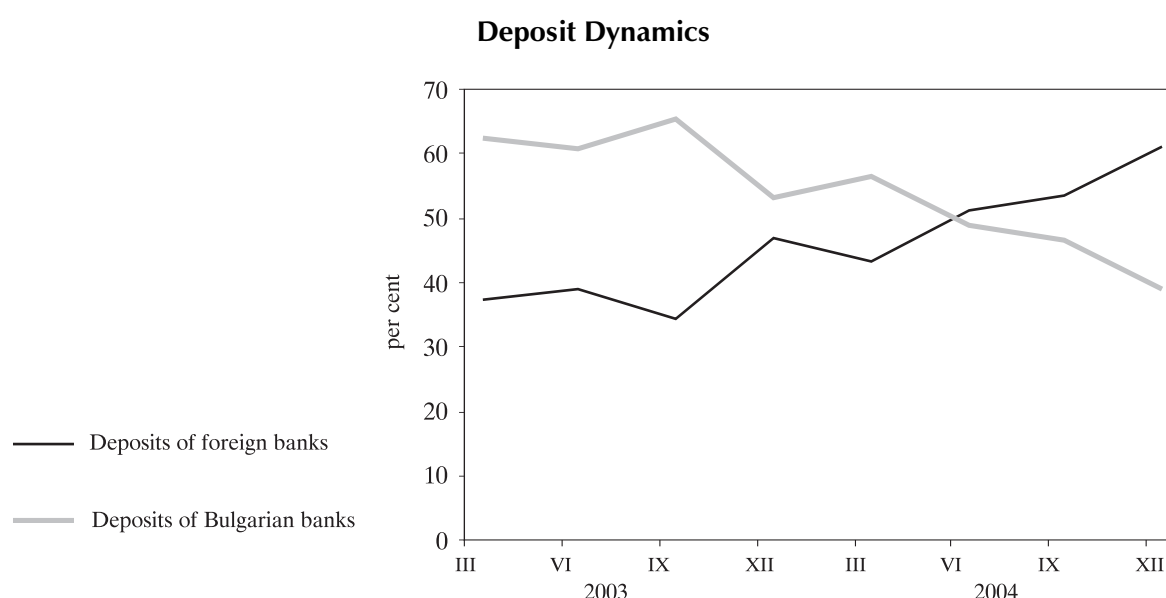
Since early 2004 *deposits of non-financial institutions and other customers* have risen by BGN 4610 million or 38.03 per cent: a significantly higher increase than in the previous three years (between 2001 and 2003 deposits grew by BGN 3475 million). Between October and December these deposits went up by BGN 2293 million or 15.88 per cent, with the highest rates in Group III banks (35.47 per cent), albeit the smallest amounts (BGN 282 million). Group I banks reported a 15.65 per cent rise (BGN 1718 million) and Group II banks 10.98 per cent (BGN 293 million). As regards the foreign currency structure, euro-denominated deposits posted the largest growth over the fourth quarter (by BGN 1541 million or 37.09 per cent) followed by accumulated lev-denominated deposits (BGN 970 million or 14.03 per cent). Deposits in other currencies (mostly US dollars) further decreased by BGN 218 million or 6.43 per cent in line with depositors' orientation toward investment not affected by the continuing depreciation of the US dollar (as of 30 September 2004 the USD/BGN exchange rate

⁶ Even after deduction of this effect of BGN 1354 million, the deposit growth over the last 12 months was higher than that during the 2001 – 2003 period (BGN 4044 million).

⁷ Data are insufficient to make a precise assessment of attracted resources from foreign non-bank financial institutions.

was 1.57614 and by-end December 1.43589). The ratio between deposits in levs and in other currencies remained unchanged with a slight excess of individual and firm deposits denominated in foreign currency (53 per cent *vis-à-vis* 47 per cent). Individual types of deposits underwent further changes over the review period: demand deposits posted the largest growth (by BGN 1683 million or 29.80 per cent) followed by time deposits (up BGN 519 million or 7.59 per cent) while savings deposits continued rising at relatively steady rates (up BGN 91 million or 4.65 per cent).

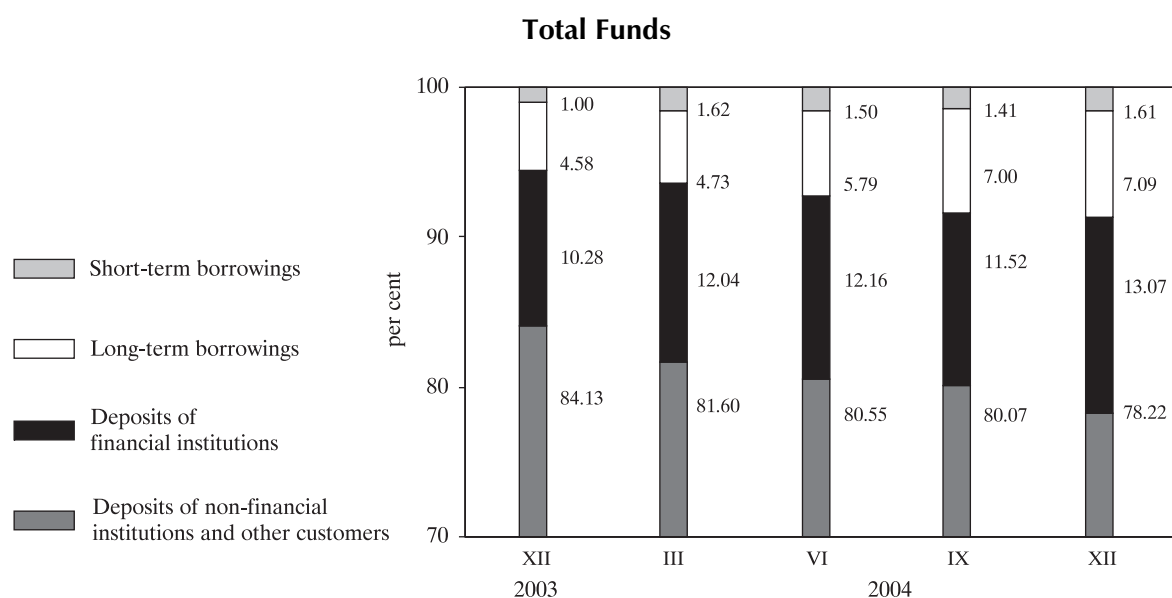
Chart 7



Short-term borrowings increased by BGN 90 million or 35.70 per cent (their share in total borrowed funds reached 1.61 per cent against 1.40 per cent by end-September). Since early 2004 *long-term borrowings* have risen by BGN 862 million or more than two times on end-2003. The growth rate of these funds over 2004 significantly exceeded growth rates during the seven-year period (between 1998 and 2003 long-term borrowings increased by BGN 463 million) which proves their increasing importance in bank asset financing. The rise in long-term borrowings over the last quarter of 2004 by BGN 254 million or 20.12 per cent almost equals that in 2003 (BGN 268 million). The share of these funds in total borrowed funds reached 7.09 per cent against 4.58 per cent in 2003. A year earlier Group II banks were more active in attracting long-term funds for small- and medium-sized businesses, with their share exceeding 50 per cent of these funds. However, by end-2004 Group I banks occupied the leading position with a 56 per cent share. This trend was prompted by limited deposit base growth due to the low level of public savings and demand for alternative financial sources, on the one hand, and by investing free resources by large banks' head offices as a result of still higher interest rate levels in Bulgaria compared with international markets. Nevertheless, the share of long-term borrowings in financing funds of Group II banks remained higher than that of Group I banks (16.01 per cent against 5.51 per cent for Group I banks). No changes occurred in the currency structure of these funds: long-term borrowings in levs and euro which were entirely invested in instruments in levs and euro were predominant.

Between October and December 2004 the total increase in funds for financing (excluding equity) was BGN 3,356,754,000, a record high of 18.61 per cent. Since the bulk of these funds is an unstable financial source (i. e. funds obtained from energy distribution companies' privatisation), the transformation coefficient was under 0.5.

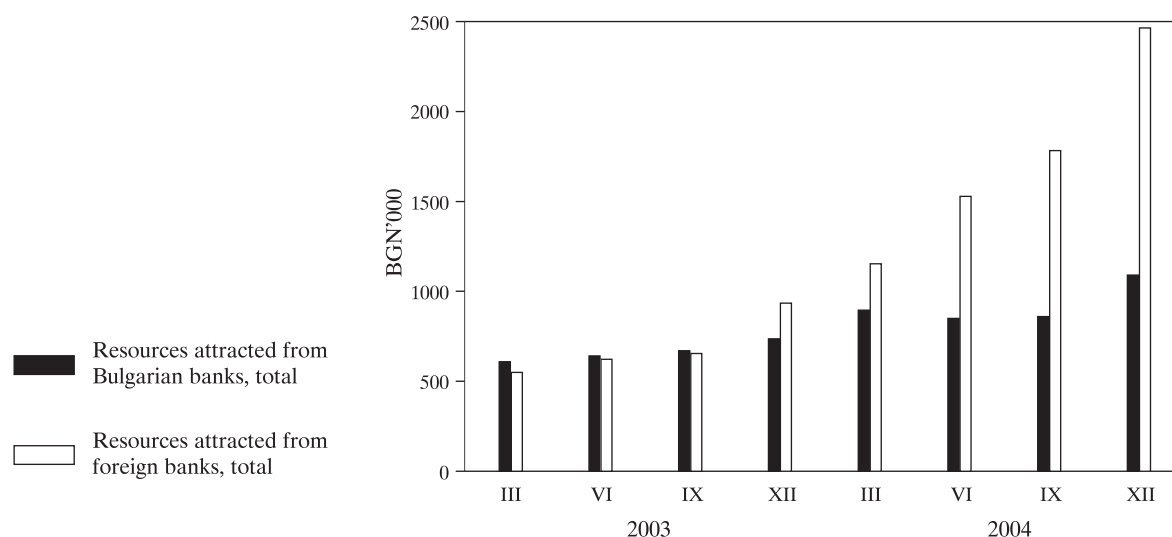
Chart 8



The upward trends in credit growth sources were sustained: total borrowings from foreign institutions (deposits, short-term and long-term borrowings) continued rising at higher rates compared with those from local institutions. Over 2004 borrowings from non-residents were twice the value of financing from residents. The increase over the fourth quarter was strongly affected by privatisation of energy distribution companies.

Chart 9

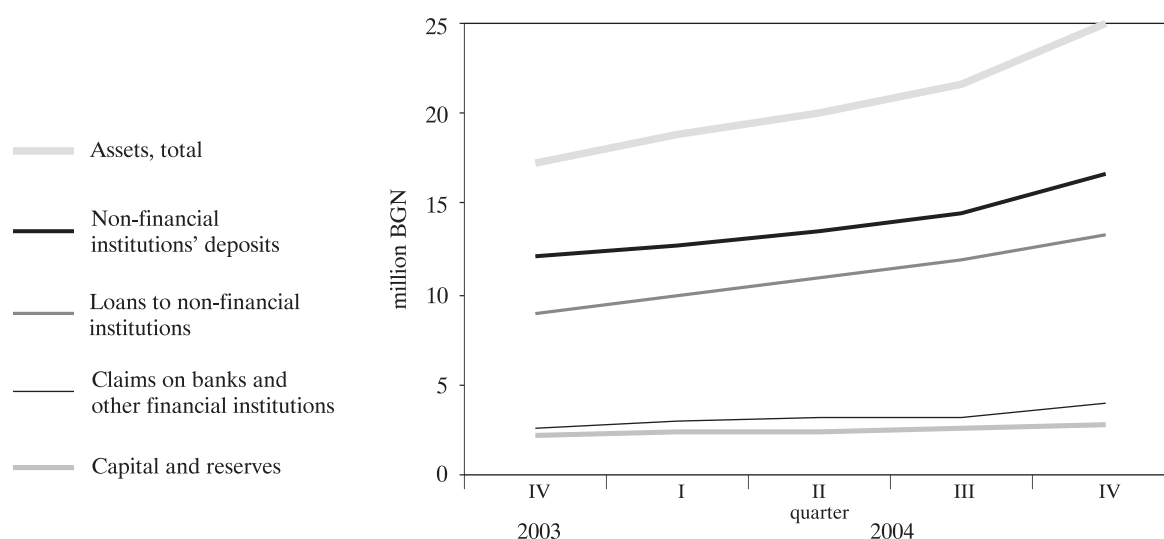
Dynamics of Resources Attracted from Banks



Since early 2004 the banking system *equity* have grown by BGN 455 million or 19.98 per cent, reflecting mostly the 2004 current profit and paid-in shareholder capital (BGN 97 million): the most significant increase since 1998. The reported growth in this balance-sheet item over the fourth quarter (5.48 per cent or BGN 142 million) was smaller than in the previous quarter (6.35 per cent). The *current year profit* contributed most to this growth (BGN 99 million). Four banks reported real rises in their paid-in shareholder capital. Due to annual recalculations, the *Reserves* item in some banks decreased by BGN 8 million. In most banks, equity growth lagging behind boosted lending prompted further declines in their capital adequacy and added additional requirements for managing the increasing volume of risk assets.

Chart 10

Dynamics of Major Balance-sheet Aggregates



Proprietorship Changes

Over the review period BA-CA (Bank Austria Creditanstalt) and HVB Bank Biochim signed a contract for acquisition of Hebrösbank. BA-CA acquires 90 per cent of Hebrösbank's shares and the remaining 10 per cent are owned by HVB Bank Biochim. On 24 January 2005 the contract between Petrol Holding AD (the majority owner of Evrobank) and Piraeus Bank for acquisition of Evrobank AD was announced.

2.3. Dynamics of Major Balance-sheet Aggregates by Bank Group

The *ten largest Group I banks* retained their leading market positions demonstrating growth in all balance-sheet aggregates (save for the investment portfolio). Their assets stayed at the previous quarter's levels (72.69 per cent of total banking assets, up just 0.31 percentage points) posting a slight decrease on the same period of 2003 (73.40 per cent of total assets). Net claims on financial institutions fell to 59.64 per cent (down 2.43 percentage points), net loans came to 73.90 per cent (up 0.93 points), assets in trading portfolio rose to 75.70 per cent (a significant increase of 10.22 percentage points) and investment portfolio continued falling to reach 86.99 per cent (down 2.32 percentage points). Deposits attracted from financial institutions comprised 60.18 per cent

of the banking total (up 3.04 percentage points), deposits attracted from non-financial institutions and other customers 75.87 per cent (a slight drop of 0.14 percentage points). Group I banks' short-term borrowings made up 90.86 per cent of the banking total (a sizable increase of 13.93 percentage points) and long-term borrowings 56.45 per cent (up 1.03 percentage points). The equity of Group I banks accounted for 73.32 per cent (up 0.12 percentage points) of banking capital. Due to the significant market concentration in the ten largest banks (major balance-sheet aggregates were concentrated in a limited number of banks), the processes in the banking system are extremely sensitive to changes in the behaviour of each bank from this group.

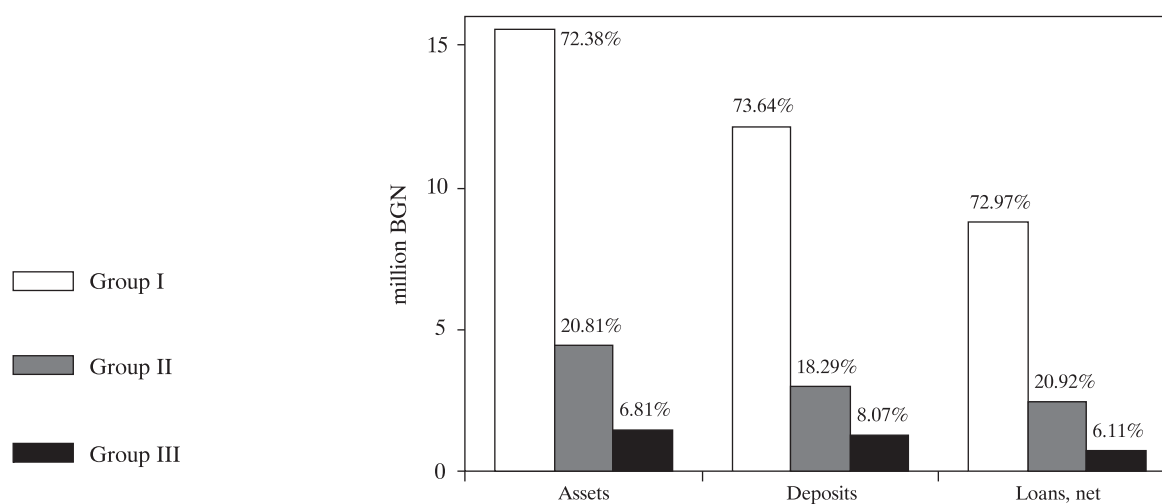
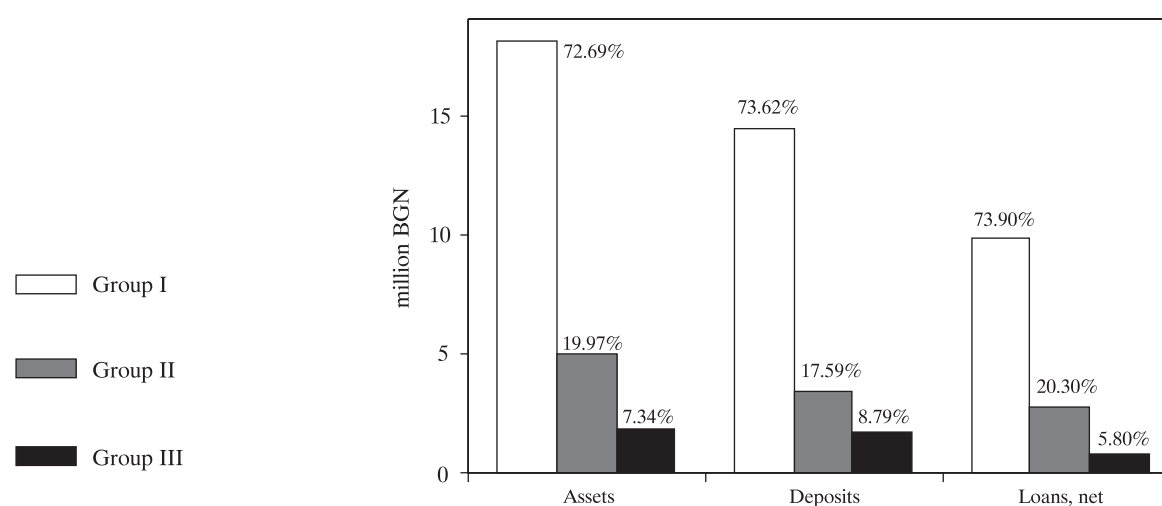
As a result of above transactions in two Group I banks and one branch, the 19 Group II banks decreased their market share in major segments. Over the last 12 months the share of this group's assets fell by 1.27 percentage points. Between October and December the 19 Group II banks' assets dropped to 19.97 per cent of banking total (down 0.84 points on September). Net claims on financial institutions came to 21.47 per cent (down 0.53 points). Net loans continued decreasing to reach 20.30 per cent (down 0.62 percentage points), assets in trading and investment portfolios comprised 22.30 per cent and 8.57 per cent respectively (down 10.05 percentage points for the former, and up 0.34 percentage points for the latter). Group II banks retained their share of 16.94 per cent of attracted funds from financial institutions (a slight fall of 0.05 percentage points). However, the share of non-financial institutions' and other customers' deposits decreased to 17.70 per cent (down 0.78 percentage points). Short-term and long-term borrowings made up 9.14 per cent and 43.55 per cent of the banking total, with short-term borrowings decreasing by 13.93 percentage points and long-term ones by 1.03 percentage points.

The six foreign bank branches expanded their market position: from 5.36 per cent as of December 2003 to 6.81 per cent by end-September 2004 and to 7.34 per cent by end-December 2004, reflecting mainly the one-off-effect operations in one of the branches. Net loans went down from 6.11 per cent to 5.80 per cent (or by 0.31 percentage points). Total deposits increased from 8.07 per cent to 8.79 per cent (by 0.72 percentage points) due to the above reasons. Funds borrowed from parent companies further increased by BGN 136 million. Claims on related parties rose from BGN 395 million to BGN 607 million.

Market Concentration Index (HHI)

Between October and December 2004 no changes occurred in the level of concentration of major balance-sheet aggregates. Banking loans, deposits and assets are characterised by low concentration. The picture by individual structural component was as follows: DSK Bank retained its dominant position in consumer, housing mortgage and savings loans at high concentration (obviously, DSK Bank is a leader in the market of these services). Despite the low concentration level, the Bulgarian Post Bank tended to strengthen its position in other commercial loans. The First Investment Bank's high concentration in short-term borrowings was sustained. By bank group, high concentration was observed practically in all items of the ten Group I banks (values of this index varied from 3264 in agricultural loans to 8374 in consumer loans). Group II banks' high concentration was reported in long-term borrowings (1897), agricultural loans (1562) and other loans (1181) with low concentration levels in all other items. Evidently, the banking system was dominated by Group I banks, with six to seven banks being of key significance.

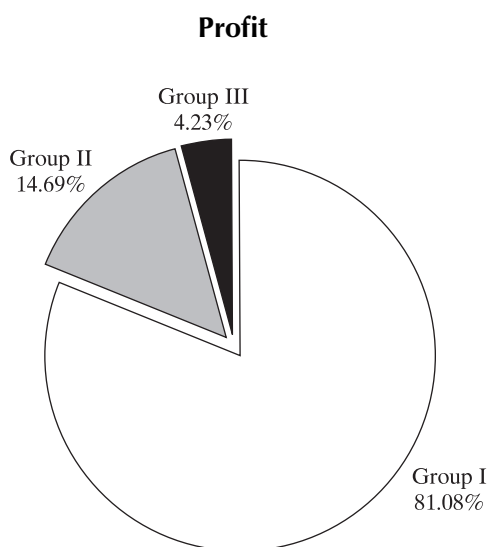
Chart 11

Market Share of Banks by Group (September 2004)**Market Share of Banks by Group (December 2004)****3. State and Trends of Operational Results**

By end-December 2004 the banking system's profit was BGN 434 million, an increase of 29.45 per cent (BGN 99 million) on September 2004 and 36.03 per cent (BGN 115 million) on December 2003. In absolute terms, Group I banks generated the largest profit (up BGN 81 million in the fourth quarter). Their share comprised 80.08 per cent of the total banking financial result. The three largest banks (Bulbank, DSK Bank and UBB) reported an increasing share in the banking profit (52.44 per cent) despite the decreasing share in assets (36.35 per cent). Net interest income continued playing an important role increasing by BGN 283 million (38 per cent) to reach BGN 1027 million. The fourth quarter saw a loss from trading portfolio operations prompting a fall in accumulated profit: from BGN 28 million as of September to BGN 26 million as of December. This loss

was compensated by reported profits from investments for sale by BGN 44 million and forex revaluation gain by BGN 19 million. Other revenue and expenditure items remained at previous periods' levels, with larger provisions and non-interest expenditure *vis-à-vis* previous quarters (mostly on salaries and advertising) affecting the financial result.

Chart 12



4. Banking System Risk Profile: Major Bank Risks

Over the last 12 months the banking system behaviour model and its risk profile were characterised by:

- high credit risk at attained levels of the loans' share in assets; should these levels be exceeded, the degree of capital pressure would change;
- intensified bank innovation and ambitions to expand market niches prompting strong competition between eight to ten commercial banks (mostly Group I banks);
- attempts to decrease price levels of new bank products, with a special stress on the consumer and mortgage customer segment; in some banks, no adequate internal rules and procedures were established to control and manage the inherent risk;
- an increasing amount of financing outside the local customer segment which, apart from an instrument of balancing the assets and liabilities maturity, is a factor for further credit growth.

These processes did not worsen financial performance of most banks but called for a change in the capacity of meeting risks over 2005.

Risks typical of the system were clearly pronounced during the fourth quarter of 2004. Generally, they include the following aspects:

- establishing new subsidiaries and financing of already existing structures in the area of leasing, credit card services, retailing;
- active policy on attracting foreign finances;

- in individual banks, expanding operations in trading of investment instruments amid high price instability on the market;
- neglecting the need for more moderate credit growth and more precise assessment of customer and market abilities;
- managing liquidity under increased minimum reserve requirements.

Despite the active behaviour model, the banking system's fundamental equilibrium was sustained: twenty five banks and foreign bank branches were assigned the complex ratings of 1 and 2.

Credit risk continued to be dominant in the structure of and trends in the banking system risk profile. The quarterly peak increase in loans by BGN 1378 million (11.09 per cent) showed the risk appetite of the leading banks. Mortgage loans grew by 30.54 per cent, consumer loans 11.60 per cent and commercial loans 10.45 per cent. The risk sharpness of individual loans measured by the amount of arrears and their share in the total amount by individual type was as follows:

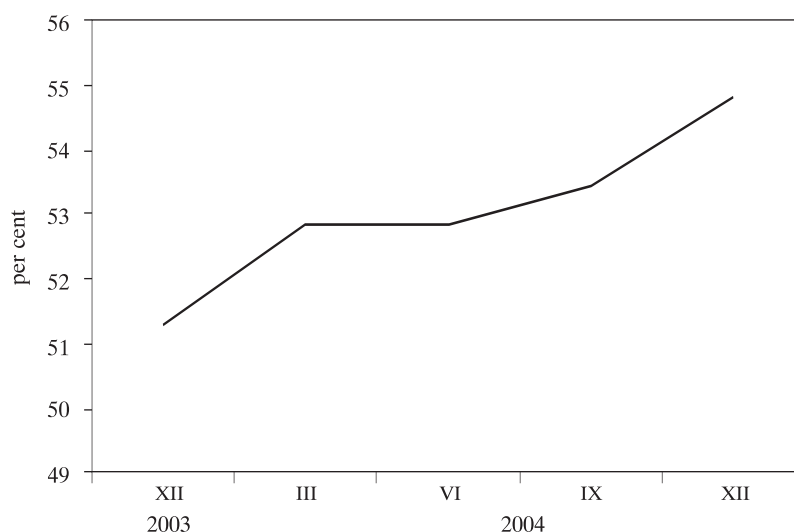
- overdue commercial loans rose by some BGN 68 million to BGN 755 million, or 7.99 per cent of total commercial loans (7.93 per cent as of September);
- impaired consumer loans totaled BGN 102 million (up nearly BGN 5 million) comprising 3.65 per cent of all consumer loans (3.88 per cent as of September);
- the amount of classified mortgage loans slightly fell by some 1 million which together with the total growth in this balance-sheet aggregate prompted a decrease in the share of classified claims from 3.88 per cent as of September to 3.65 per cent by the end of the reporting quarter.

Evidently, consumer and mortgage loans are the least problematic loans. By contrast, commercial loans showed a steady trend to an eight per cent level of arrears.

Over the review period the extension of credit maturity continued: loans with a maturity of over one year accounted for BGN 7315 million or 54.83 per cent of total loans disbursed. This indicates banks' awareness of increasing customers' solvency and banks' self-assessment of possibilities to manage future risks.

Chart 13

Loans with a Term of over One Year/Total Loans



Distribution of loans by industry underwent no significant changes:

	(%)		
	December 2003	September 2004	December 2004
Trade, repair and technical services	29	25	25
Manufacturing	19	19	18
Electricity, heating, gas and water	4	3	3
Financial intermediation	5	1	2
Hotels and restaurants	3	5	5
Construction	3	3	3
Transport, storage and communications	3	4	2
Extractive industry	2	1	1

Developments during the review period did not prompt changes in the scope, structure and sharpness of the *market risks*. The sensitivity to *foreign currency risk* remained low. Most banks continued to maintain a short position in US dollars and euro. The banking system's position was short comprising 3.66 per cent of the total capital base. Assets in euro rose by approximately EUR 1055 million, with approximately EUR 690 million coming from privatisation transactions. Similar processes were registered in the liabilities side. The growth of EUR 1154 million led to a 5.38 per cent share of the net position in euro. As regards the US dollar position, the increase was approximately USD 102 million in assets and USD 143 million in liabilities. This outstripping increase in USD-denominated liabilities led to a short net position of -3.66 per cent. The year-end 2003 data shows that the net open foreign currency position was also short (4.91 per cent) with dominant assets in euro and liabilities in US dollars.

Despite the insignificant influence of the *price risk* in the system's balance sheet, the reporting quarter saw an increased interest of a few banks as a result of active trade in compensatory instruments. The share of foreign issuers' securities (outside the list under Appendices 1 and 2 of Ordinance No. 8) in the overall foreign issuers' portfolio was indicative of banks' risk appetite. The average banking value of 11.06 per cent was formed by the relevant portfolios in seven banks and one branch.

Changes occurred in *interest rate risk* parameters. At the close of the review period the structure of interest rate imbalance also changed. Liabilities sensitive to interest rate changes exceeded interest rate sensitive assets. The cumulative GAP position reached -2.05 per cent of total banking assets (against 1.68 per cent by end-September and positive cumulative GAP values for all previous periods). The reported change reflected mostly interest rate liabilities growth throughout the year 2004. For instance, 93.13 per cent of loans was sensitive to interest rate changes (92.98 per cent as of December 2003 and 92.06 per cent as of end-September 2004) with 57.83 per cent in the time horizon of up to 30 days. Deposits sensitive to interest rate changes accounted for 89.48 per cent, with those in the horizon of up to 30 days comprising 80.85 per cent.

5. Asset Quality 'A'

- *The significant increase in cash and claims on financial institutions at the close of the review period (by BGN 1491 million) prompted slight changes in weightings of individual elements of the total banking risk component.*
- *The growth rate of classified assets lagged behind the credit growth (by 8.60 per cent).*

Over the 2003–2004 period the commercial bank behaviour regarding asset management was marked by increased lending coupled with a good quality of assets. No changes occurred in investment in various financial instruments: despite some institutions' attempts to diversify their portfolios, investment in government securities issued by the Bulgarian government and by governments and central banks under Appendices 1 and 2 of BNB Ordinance No. 8 remained dominant. No significant changes in the factors determining the quality of assets were reported in the fourth quarter. Measures undertaken since early 2004 led solely to retention of credit expansion. December saw the highest quarterly growth in loans (11.09 per cent) and in absolute terms (BGN 1378 million). It should be noted, however, that most banks (23 in number) reported a continuing process of restructuring bank assets directed at a decreasing share of loans. The growth rate of classified loans slowed down. Investments in securities of the issuers under Appendices 1 and 2 of BNB Ordinance No. 8 increased their share in trading portfolio which did not change the portfolio's risk characteristics. No changes occurred in the volume and basic characteristics of the investment portfolio in which investment in government securities of the Bulgarian government and other local issuers continued to dominate.

5.1. The Increased Credit Risk Zone

Major indicators for determining banks which fall into the increased credit risk zone include:

- the degree of the asset risk above the system's average value;
- serious weaknesses in credit process management found mainly during full supervision inspections;
- trends to forming significant exposures to economically related persons;
- opacity of bank operations.

Some banks assigned a rating of 3 and all banks with a rating of 4 are included here. The degree of asset quality is different at individual banks. Over the review quarter several banks were included in the increased credit risk zone, although their asset quality did not worsen. Greater attention to them reflected the increased risk appetite associated with transactions effected. A supervision strategy was developed and applied to each individual institution to reduce the risk and improve banks' financial indicators. The initiated measures are also used as early warning and preventive measures for other institutions. High-risk operations and actions would not be tolerated by the Banking Supervision Department.

Asset quality dynamics over the review period may be shown in the levels and changes in the following major indicators:

Since early 2004 *problem assets* have been stable: 1.32 per cent as of March, 1.33 per cent as of June, 1.31 per cent as of September and 1.09 per cent by end-December. For the first time in five quarters problem assets decreased (BGN 9 million or 3.41 per cent on the prior quarter). If this decrease in absolute terms and as a share of assets continues during the following quarters, concerns about a possible capital erosion or significant yield falls will subside.

The fourth quarter's data show a slowdown in loan impairment rates measured by the *classified assets* indicator. By end-December their share in gross assets fell to 3.76 per cent (BGN 955 million in absolute terms) despite the increase of 8.60 per cent (BGN 76 million) in absolute terms. Lower indicator values reflected both higher asset growth and decreased classified loans as a result of their writing off at the expense of provisions at the end of the year.⁸ The previous periods' upward trend in classified assets continued over a one-year horizon: an increase of BGN 266 million between December 2003 and 2004 (38.60 per cent) against BGN 201 million (29.70 per cent) between September 2003 and 2004.⁹ Sufficient income from core operations to ensure the required provisions should be viewed as an important factor for actively crediting banks whose classified assets stayed above the banking system's average values.

⁸ Other classified assets (outside the classified loans) comprised below one per cent of total classified assets.

⁹ Between June 2003 and June 2004 classified assets rose by 23.84 per cent or BGN 152 million.

Due to the high share of loans in the balance-sheet aggregate structure and the good quality of the rest assets, the *classified loans* indicator followed similar trends. Their growth of BGN 77 million to reach BGN 951 million over the fourth quarter was accompanied by a declining share of gross loans (6.88 per cent *vis-à-vis* 7.03 per cent as of September) owing to the faster growth of loans compared with the rates of their impairment. Although the impaired loans continued rising in absolute terms, the reporting quarter saw a slowdown in this process.

As regards individual types of loans in total classified loans, the share of commercial loans decreased at the expense of consumer and housing mortgage loans to individuals. The share of the former fell from 82.22 per cent as of December 2003 to 79.38 per cent as of December 2004, while the share of the latter rose from 8.49 per cent to 13.18 per cent (consumer and housing mortgage loans in total).

The classification measuring distribution of *credit risk weighted by banks* shows that the standard loans' share rose from 92.97 per cent as of September to 93.12 per cent as of December. These levels were higher than those reported in the same period of 2003 (92.72 per cent) reflecting the significant growth of newly extended loans. The share of non-performing loans continued falling: from 2.40 per cent to 2.03 per cent (3.16 per cent a year earlier). These exposures matched the half-year's levels: BGN 281 million (BGN 298 million as of September). The factors behind the decrease were full or partial repayments, as well as off-balance sheet reporting of fully provisioned exposures. The most significant internal migration occurred in the sub-standard loans group: up by BGN 121 million (their share rose from 0.72 per cent in the prior quarter to 1.54 per cent). Albeit decreasing by 0.56 percentage points, the share of classified watch loans remained the highest: 3.34 per cent (an absolute change of some BGN 28 million). Commercial loan impairment continued at the fastest rates, while the share of consumer and mortgage loans in total classified loans was insignificant.¹⁰ Of all classified loans, watch loans occupied the largest share (48.38 per cent) followed by non-performing loans (29.40 per cent) and sub-standard loans (22.22 per cent).

The asset quality by commercial bank group was as follows:

	December 2003	September 2004	December 2004
Group I			
Total	BGN 6851 million	BGN 9080 million	BGN 10 208 million
Standard	93.85%	93.13%	93.25%
Non-performing	2.53%	2.47%	2.07%
Group II			
Total	BGN 1930 million	BGN 2609 million	BGN 2818 million
Standard	88.42%	91.84%	92.03%
Non-performing	3.00%	2.74%	2.28%
Group III			
Total	BGN 594 million	BGN 744 million	BGN 786 million
Standard	96.74%	95.11%	95.33%
Non-performing	0.09%	0.39%	0.23%

¹⁰ An important element in assessing the quality of commercial loans is to determine what part of Bulgarian companies which have drawn loans from local banks uses foreign loans, as well as the relevant level of intra-company indebtedness which may affect servicing of loans to local banks.

Chart 14

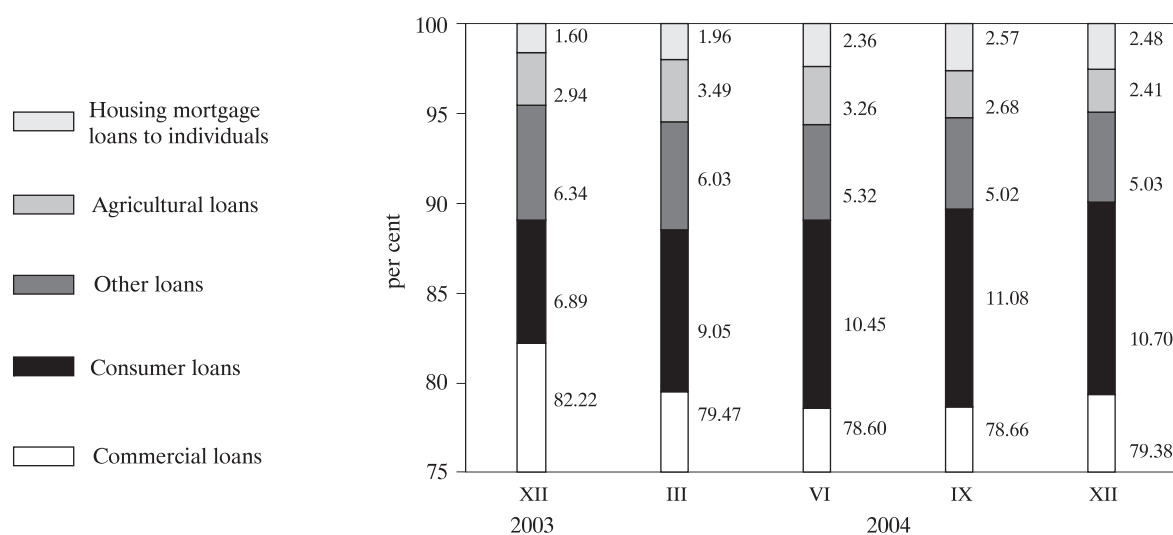
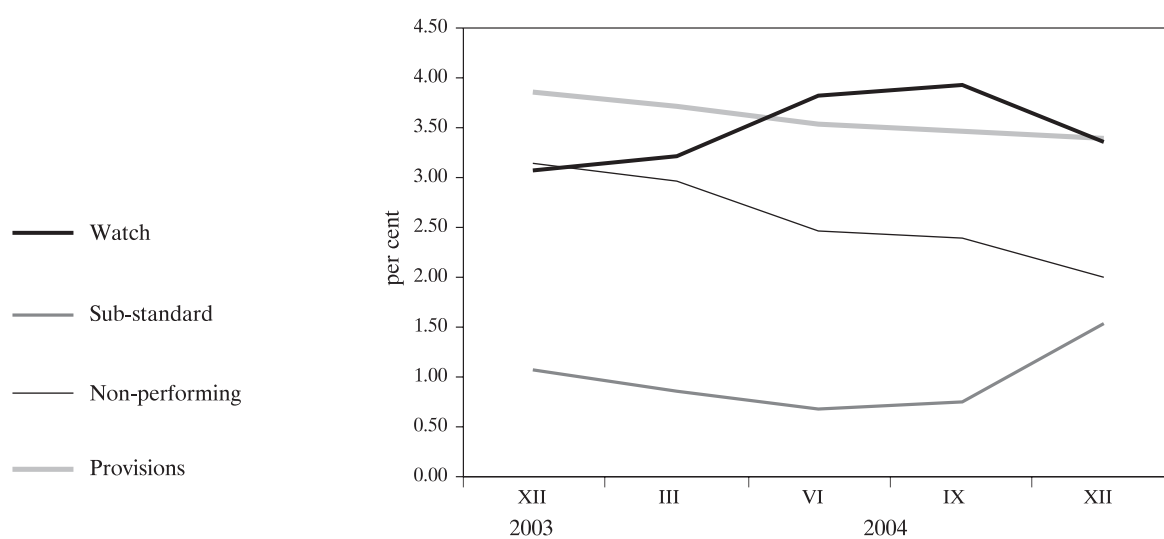
Classified Loans' Structure

Chart 15

Loan Classification

5.2. Provision Analysis

Trends in provisions allocated to cover impairment loss have been stable since early 2004 indicating no changes in credit risk indicators. Due to the significant asset growth (both in the reporting quarter and since early 2004), the *gross asset provisioning degree* continued falling: 1.85 per cent *vis-à-vis* 1.96 per cent in September and 2.05 per cent in the same period of 2003. Nevertheless, the fourth quarter saw the largest absolute growth in provisions of BGN 39 million to reach BGN 470 million. The degree of provisioning of *claims on non-financial institutions* continued to decrease: from 3.46 per cent to 3.37 per cent. However, these provisions rose in absolute terms by BGN 36 million to BGN 466 million. The degree of provisioning of *claims on financial institutions* was negligibly small (0.11 per cent) and properly reflected the good quality of placements.

The *degree of classified claim provisioning* remained unchanged at 40.56 per cent. Group I banks reported a lower value in this median (42.12 per cent). The increase in Group II banks to 49.62 per cent reflected growth in provisions at 13 banks.

The increase in all allocated provisions offset by the decrease in classified non-performing loans led to higher values of the *coverage indicator* (167 per cent *vis-à-vis* 145 per cent by end-September).¹¹

6. Earnings 'E'

- *The good quality of interest assets sold at a price providing a high margin helped most banks achieve an adequate return on assets and equity.*
- *The 2004 credit expansion coupled with the stable increase in interest revenue and fee and commission income enabled banks to almost compensate the effect of higher financing prices and contracted interest rate spreads.*

The early 2004 upward trends in the share of interest-bearing assets in overall assets predetermined the key role of *net interest income*. Following the increased supply of new products and services both in lending and in borrowings, the significance of the *fee and commission income* in forming banks' financial result continued rising. On the other hand, the change in the structure of financing sources (resources attracted from abroad to compensate the insufficient local funds) prompted a gradual increase in the *price of asset financing*. The *non-interest expenditure* growth did not cause a sizable pressure on banks' earnings thanks to benefits from economies of scale. *Extra profit* was noted in the income of only a few banks. *Foreign exchange transactions* affected banking insignificantly. The levels of credit and market risks at most banks did not worsen the quantity and quality of income due to additional allocation of provisions or significant effects of interest rate fluctuations on earnings.

Banks with a component rating of 4 remained in the *zone of high-problem income and substantial earnings fluctuations*. These banks' revenue was impacted by their managements' inability to control financial and operating expenditure as a result of improperly applied and inadequate strategies or badly managed and controlled exposure to credit and market risks. Banks of the problem group had volatile revenue from core operations, a significant role of revenue from extraordinary operations in forming their financial result, high operating expenditure, lack of internal sources for adequate capital support, strong dependence of their earnings on corrective supervisory actions.

¹¹ This indicator establishes the ratio of all accumulated provisions in all classification groups to the credit amount in the non-performing loans group.

The trends in leading banking system indicators were:

(%)

Ratio as a percentage of average assets	December 2003	December 2004
Net interest income	4.71	4.92
Non-interest expenditure	4.59	4.31
Extraordinary gain/loss	0.05	0.05
Efficiency ratio	67.32	63.04
Net result (post-tax ROA since year start)	2.43	2.12
Core ROA (net income from core operations since year start)	3.11	2.65
Return on equity (ROE)	22.75	20.63

The strong credit growth in 2004 coupled with the stable 37 per cent increase in interest income and the 28 per cent rise in fee and commission income allowed banks to offset to a certain extent the effect of the growing financing price and the narrowing interest rate spread. The system earnings were influenced by provisions allocated over 2004 to cover impaired loans.¹² Compared with the corresponding period of 2003, the system earnings measured by the *return on assets (ROA)* were 2.12 per cent against 2.43 per cent. Irrespective of the 0.31 percentage point drop, the levels of this indicator showed good and stable income from core operations and it can be concluded that most banks exhibited controlled expenditure and profits. The return on assets indicator showed major banks' dominating position: with a few exceptions, almost all Group I banks reported values over 1.50 per cent.¹³ Half of the banks had a higher ROA on the previous year although the values of some of them did not reflect their improved efficiency. Other banks' low values over several three-month periods (below one per cent) proved the problems they faced and their functional inefficiency.

The rising role of *net interest income* in final financial result formation was backed both by the good-quality amounts of lending and the stable income from investment in instruments of the Bulgarian government and in low credit-risk securities of foreign issuers. In addition, despite strengthened bank competition, slower-than-expected fall in lending interest-rates was accompanied with relatively sustained deposit interest rates. The net interest income indicator reached 4.92 per cent by end-December 2004 against 4.71 per cent in the prior year. Almost half of the banks maintained ratio levels above the banking system's average. These were the banks with major business strategy based on consumer lending or lending to small- and medium-sized enterprises characterised by high interest rates.

Net interest income dynamics reflected the continuing processes in most banks related to their growing interest-bearing potential: the *share of interest-bearing assets* in total assets grew in 22 of the 29 banks reaching 87.45 per cent for the banking system (86.38 per cent in the same period of 2003). *Net interest margin* for the banking system also grew: from 5.45 per cent at end-2003 to 5.62 per cent at end-2004. The indicator's dynamics at individual banks did not always follow the upward trend in the interest-bearing assets' share: only half of the banks reported rising net interest margin values. Irrespective of the rising *interest-bearing assets*, most banks exhibited growth in the share of *interest-bearing liabilities* measured by the *prevalence of interest liabilities over interest assets* indicator. The growth of this indicator was 2.15 percentage points reaching 95.37 per cent, individual banks reporting values over 100 per cent. The *financing price of interest-bearing assets* increased from 1.89 per cent to 2.00 per cent. Despite promoted deposit products with interest rates higher than market levels, expectations of a considerable increase in the *price of interest-bearing liabilities* did not materialise. Most banks reported a gradual rise in values. At individual banks, the increase was above the banking system's average, reflecting the

¹² As of December 2003 the banking system reported reintegrated provisions amounting to BGN 12 million against BGN 136 million provisions allocated to cover loans impairment by end-2004.

¹³ The *return on assets (ROA)* indicator of most international banks and banking systems reported values within the 0.5 to 1.5 per cent range.

increased share of long-term borrowings (bond loans, mortgage bonds and corporate bonds) or tranches under credit lines. The average banking system's values by December 2004 amounted to 2.09 per cent *vis-à-vis* 2.03 per cent for the same period of 2003.

Chart 16

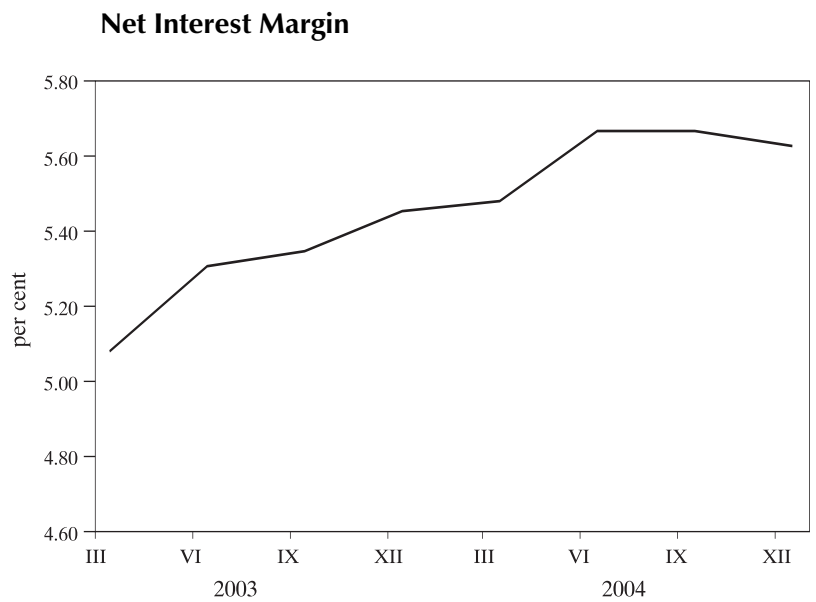
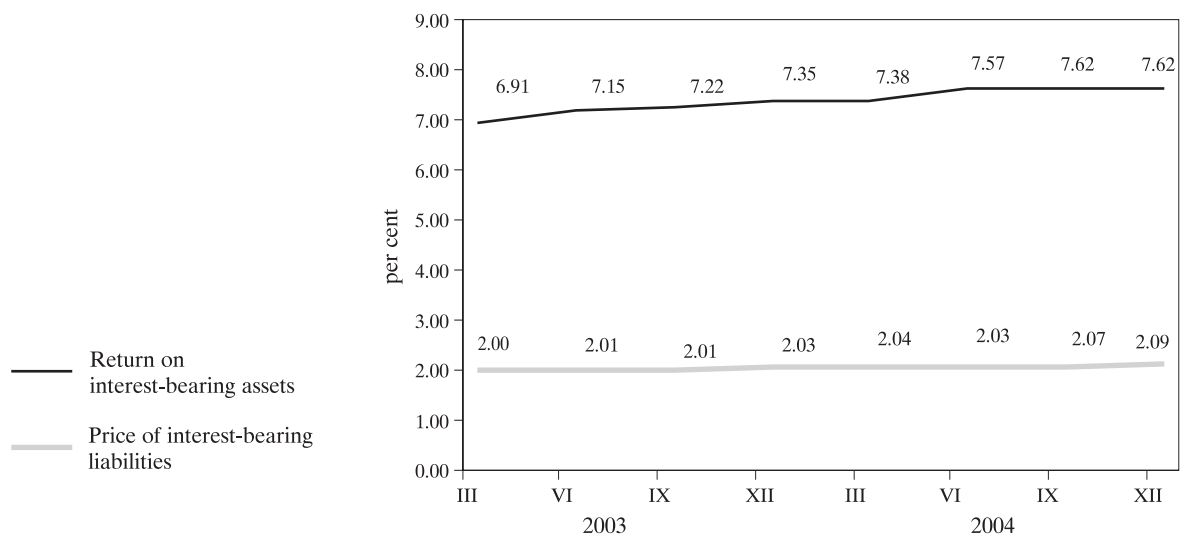


Chart 17

Selected Components of Net Interest Margin



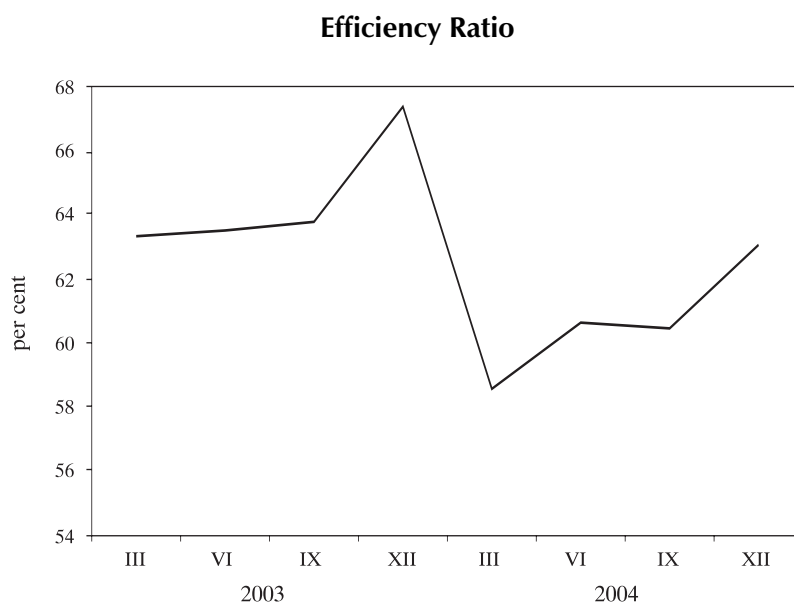
Following the increase in the share of interest-bearing assets, the *return on interest-bearing assets* increased further: from 7.35 per cent at end-December 2003 to 7.62 per cent at the close of the quarter under review. The banks with higher credit classification reported values of *return on interest-bearing assets* below the banking system's average.

Currency revaluation and *extraordinary operations* did not affect significantly banking system's financial result. They totaled BGN 29 million (against BGN 38 million in 2003) in absolute terms and ensured a return on average assets amounting to 0.09 per cent for currency revaluation and 0.05 per cent for extraordinary profit. Extraordinary operations did not play a decisive role in financial result formation.

Irrespective of the 28 per cent increase in loan and deposit servicing income in a one-year horizon,¹⁴ a decrease in the return on assets based on *non-interest income* was reported. The 0.16 percentage point fall to 2.01 per cent was attributable to the loss on assets for resale and the smaller gain on sale of other assets compared with 2003. While only three Group I banks reported a rise in the share of financial intermediation income, most Group II banks (11) registered growth in this indicator's values.

With a few exceptions, almost all banks reported a decrease in the *non-interest expenditure* indicator by 0.28 percentage points to 4.31 per cent at the close of 2004. *Efficiency indicator* values also followed a downward trend but they were higher than those in 2003 in six of all 29 banks. The average value for the system was 63.04 per cent, although some banks reported values exceeding 100 per cent.

Chart 18



Based on earnings trends, *return on equity (ROE)* reached 20.63 per cent (a fall of 2.12 percentage points).

At the end of December the number of banks' full-time employed was 22,453: an increase of 1019 on the same period of 2003; bank assets *per employee* reached BGN 1,110,000 against BGN 808,000 at the end of the previous year.

¹⁴ For instance, by December 2004 loan servicing income rose by 32 per cent, income from fees on off-balance sheet commitments by 39 per cent, on deposit servicing by 45 per cent, and from other fees and commissions by nine per cent.

7. Capital 'C'

- *The downward trend in major capital indicators attributable mainly to growth in the total asset risk component continued.*
- *Despite the decreasing capital surplus, the banking system had considerable internal sources of capital support in the form of current profit.*

The last twelve months were characterised by processes prompting gradual weakening of commercial banks' capital position. These processes affected both the structure and amount of the asset risk component and capital base growth rate. Against a 43.83 per cent asset growth and 47.31 per cent loan growth, the capital base growth came to just 4.85 per cent which was one of the major factors prompting the capital indicators' decline. The regulatory ratios were also influenced by the amendments to BNB Ordinance No. 8 concerning the mechanism of including banks' current profit in their capital base. No changes in the factors affecting the capital ratios' level and trends were registered in the fourth quarter of 2004:

- the total asset risk component continued to experience the effect of growth in the components with 50 per cent and 100 per cent risk weights (by 20.70 per cent or BGN 277 million for the first and by 10.27 per cent or BGN 1159 million for the second) and in loans and off-balance sheet commitments. In a one-year horizon assets with 100 per cent risk weight rose by 46.47 per cent (BGN 3951 million) and assets with 50 per cent risk weight grew by 63.34 per cent (BGN 661 million);
- commercial banks continued to manage risks trying to prevent asset dynamics from becoming a factor behind violation of capital indicators' admissible regulatory levels.

In the review quarter no measures for capital support were taken by commercial banks (for instance, through debt/equity (hybrid) instruments or by subordinated term debt) owing to the possibility of increasing primary capital through the financial result accumulated by the end of 2004.

Banks assigned a capital component rating of 3 or less and an overall rating of 4 or less under the CAMELS/CAEL system were included in the *increased capital risk zone*. Banks whose capital position was exposed to a great pressure caused by extreme internal and external factors (a dramatic change in the external environment which would directly impact its capital, *etc.*) also belonged to this zone. These were banks whose financial performance and banking model caused permanent supervisory concerns and required considerable resources for reducing the degree of risk in their operations.

7.1. Capital Adequacy Level and Trends

As throughout 2004, between October and December 2004 the *total capital adequacy* ratio continued to decline gradually. The 6.12 percentage points fall in a one-year horizon and the respective 1.05 percentage points decline to 16.08 per cent for the quarter reflected fundamental processes that have already been discussed: the faster growth of assets compared with that of the capital base, the leading role of loans in growth factors; the effect of the restrictive regulatory measures limiting the conditions for the use of current profit for capital support; the lack of faster counter-measures for neutralising asset growth effect through flexible capital support instruments. The overall drop in the indicator level at most banks does not prove yet that their capital position is close to critically low levels. Nevertheless, the overall capital risk level requires enhanced attention by banks and corrections of business behaviour strategies in 2005. *Primary capital adequacy* indicated similar developments. Following the growth reported by the close of the second quarter, reflecting most banks' decision to include a portion or the entire profit for 2004 in the primary capital, the indicator values decreased. Most banks reported values far below the regulatory minimum of six per cent.

Primary capital leverage dynamics reflected both changes in asset growth and banks' capacity to attract funds for financing their operations. The values dropped to 8.60 per cent for the banking system (against 8.65 per cent

at the close of the previous year) with most Group II banks reporting values well above the average. In Group I, the highest value was 10.84 per cent (approximately one unit of primary capital attracted resources for financing of nine units of assets) while several Group II banks registered values around or over 15 per cent (i. e. their abilities to attract resources were considerably reduced). They were characterised by a larger share of own funds in total funds which reflected primary capital leverage values showing high degree of indebtedness.

Chart 19

Capital Indicator Dynamics

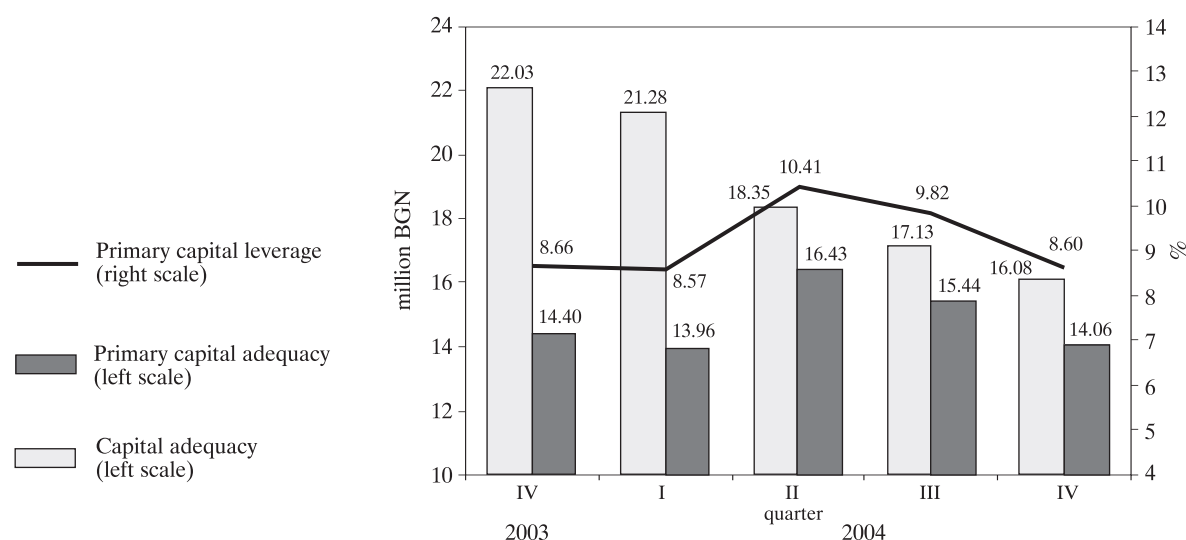
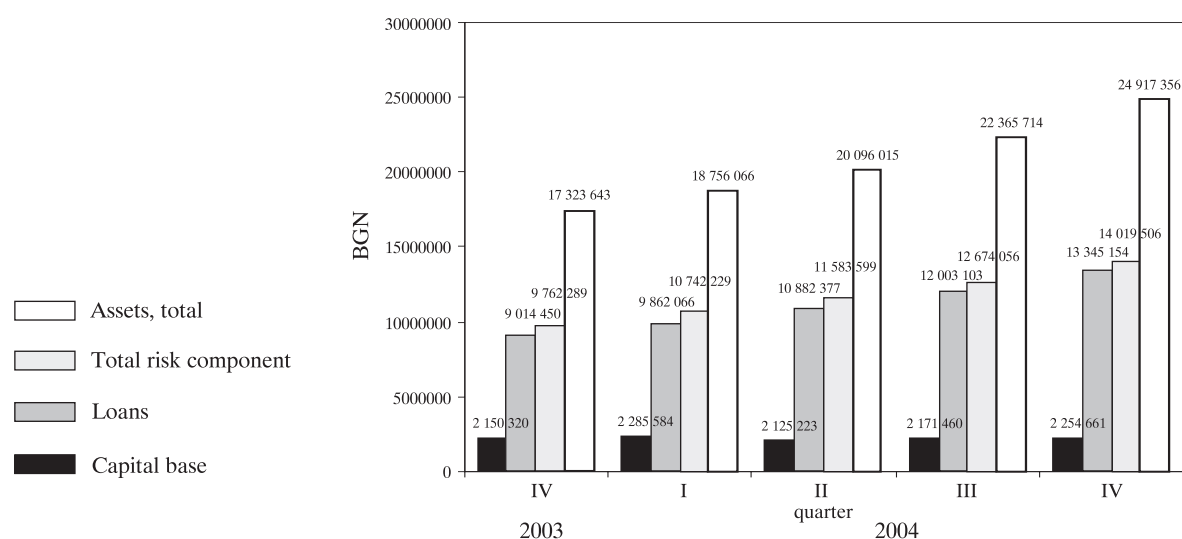


Chart 20

Dynamics of the Major Factors Determining the Level of Capital Indicators



By the close of 2003 the *asset coverage degree* amounted to 13.26 per cent, while over the quarter under review it fell from 10.90 per cent to 9.84 per cent. Irrespective of the fact that for most banks its values were far from the critical minimum, it should be noted that the change in this indicator also resulted from the difference in the growth rates of capital and assets (given the lack of additional capital weakening which reflects worsened asset quality and the ensuing pressure on earnings).

The *degree of asset risk* registered similar trends over a one-year horizon. Despite the fall to 60.72 per cent in the fourth quarter (against 62.87 by end-September), it should not be interpreted as an indicator of retaining or decreasing the amount of assets subject to various risks. This temporary process reflected a one-off inflow of sizeable short-term resources guaranteed by low-risk assets in the form of first-class issuers' government securities and short-term deposits in foreign banks with investment rating. In essence, these assets increased by BGN 4357 million (45.61 per cent) and their growth followed the overall dynamics of major balance-sheet items.

7.2. Capital in Excess of Capital Base Regulations

No new trends in capital in excess dynamics emerged in the review period. The capital exceeding the regulatory minimum continued to decline. The three-month fall amounted to some BGN 82 million to reach BGN 343 million (the 12-month decrease was BGN 646 million). Over 98 per cent (BGN 338 million) of the capital in excess belonged to Group I banks. Most small and medium-sized banks reported capital in excess within the range of BGN 2 million to BGN 5 million. These resources are considered insufficient due to the fact that each significant impairment of a corporate loan and/or a group of loans leads to the use of entire capital reserves. However, it should be noted that the banking system and individual banks hold resources to neutralise the above-mentioned processes. By end-December only about BGN 70 million of the profit amounting to BGN 432 million were included in the primary capital. Ten of all 29 banks included part of their financial result in the primary capital. This gives grounds to conclude that if banks pursue a prudent policy, i. e. refrain from dividend payouts, the capital in excess would recover at least its mid-2004 level of around BGN 500 million.

Net classified assets under the most unfavourable scenario for the banking system (total impairment and a capital decrease) would melt 25.18 per cent of the capital base. Of note is that for 12 months their share grew by 4.47 percentage points (or by BGN 122 million).

Investment in fixed assets did not change in the fourth quarter. In most banks, the regulator remained far from its maximum admissible values.

8. Liquidity 'L'

- *Banks' liquidity potential was good.*
- *The abilities to meet a hypothetical pressure exerted by depositors at the end of the quarter increased.*

Liquidity is one of the financial performance indicators which retained its base characteristics permanently (for more than 12 months):

- most banks exhibited good indicators allowing more flexible asset management;
- there were no signs of pressure exerted by depositors which prompted stability of funds and created prerequisites for longer-term investment decisions (including increased lending);
- the dynamics of major balance-sheet aggregates – assets, deposits and loans – did not result in diminution of basic liquidity characteristics within the review quarter;
- the sizeable resources of 'temporary nature' (privatisation receipts) and rather short maturity in December 2004 predetermined the respective growth in the deposits of financial institutions and affected liquidity indicators;

- major indicators were affected by BNB's actions aimed at changing the MRR calculation methodology, as well as by measures taken against several banks with respect to meeting the secondary liquidity criterion in their capacity of government securities primary dealers.

The general conclusion should be drawn that banks managed to maintain such a structure of their assets and financing that would provide them with adequate liquidity levels. Concurrently, there were institutions which remained in the *increased liquidity risk zone*. Traditionally, it included most banks with a liquidity rating of 3 and an overall rating of 3 or less. One or several of the following criteria are valid for these banks:

- problematic asset quality which would not allow institutions to cope with the pressure of depositors for a longer period without external financial support;
- inability, permanent difficulties or unwillingness of shareholders to support the bank where necessary;
- sustained downward trends in major liquidity indicators due to limited access to inter-bank market;
- external factors which may lead to withdrawal of large resources in a short or longer time horizon.

8.1. Major Liquidity Indicators: Level and Trends

Since the start of 2004 all leading liquidity indicators displayed sustainable downward trends and increasing potential pressure on the banks' liquidity position. This trend was reversed in the October to December 2004 period, when banking system's asset growth led to an unusually high (compared with previous years) increase in *tradable assets* amounting to BGN 2001 million. Almost half of this amount (BGN 1354 million) resulted from the effect that has already been discussed, while the three-month growth of 36.49 per cent should not be interpreted as a change in the banks' policy with a view to providing a higher degree of balance-sheet positions' liquidity. This change in the absolute amount reflected the dynamics of the *tradable assets' share* in the total amount of assets: they rose from 25.45 per cent by end-September 2004 to 30.04 per cent by end-December 2004 (against 27.40 per cent a year earlier). Banks concentrating receipts from privatisation of energy distribution companies reported the highest growth of the indicator. The change in these indicators' values was the factor behind the increased coverage degree of *borrowed funds by tradable assets*. Growth on September 2004 came to 4.62 percentage points reaching 34.67 per cent (against 33.14 per cent as of December 2003). Banks with low values were not threatened by liquidity pressure and relied on their shareholders' support or, as a result of attracting long-term resources, did not need large amounts of tradable assets to cover borrowings. It may be asserted that despite the withdrawal of privatisation resources and payments to the budget expected in the first quarter of 2005, the banking system and its major segments will retain a good level of coverage of borrowed funds by tradable assets.

Loans to deposits ratio, being one of the major indicators of banking system's liquidity, is a source of information about the degree of transferring borrowed resources (with a relatively short maturity) into assets with a longer financial life. A preliminary review indicates that the ratio's values by the end of 2004 decreased (from 75.28 per cent in September to 70.72 per cent in December) despite the credit growth in the reporting quarter. The analysis of the absolute values, however, shows a bit different picture. Should the resources of temporary nature amounting to BGN 1354 million be eliminated, the ratio's values will change to 75.99 per cent. In a one-year horizon, however, the picture exhibits sustained growth of deposits transformed into loans: 68.96 per cent of deposits were extended in the form of loans by end-2003. In the review period active attraction of financing through bond issuance and long-term borrowings continued, prompting changes in the share of *non-core borrowed funds in total assets*: from 9.21 per cent at end-December 2003 they rose to 12.60 per cent by end-December 2004 (10.82 per cent by end-September 2004). This growth predetermined the change in another base ratio: *loans to overall funds*. Its values dropped to 64.57 per cent¹⁵ (against 68.94 per cent by end-September) and were lower than those by the close of 2003 (65.12 per cent). Since this financing was aimed at providing additional

¹⁵ However, a temporary 'darkening' of the real values occurred here as a result of circumstances related to borrowed funds that have already been analysed.

credit resources, the fall should not be considered a signal of a change in the banking system's willingness to retain lending and shift to a lower-risk activity.

In the review quarter primary dealers in government securities were selected, with *primary and secondary liquidity indicators* being among the financial stability criteria. All 22 applicant banks met the requirements for minimum values of indicators. As a result of the processes that have already been analysed, by the end of the fourth quarter banking system primary liquidity indicators went up from 26.07 per cent to 31.56 per cent.

The *maturity imbalance analysis* revealed no fundamental changes in the trend of previous years: most banks reported equivalence or prevalence of inflows over outflows. The bulk of banks managed to ensure full coverage of outflows on deposits by liquid assets in the shortest horizon (up to seven days), while in the other horizons the picture was more dynamic. However, this was not indicative of any liquidity problems. The conclusion was based on accounting data under BNB Ordinance No. 11 and was also confirmed by verifying the assumptions of bank liquidity management bodies in the course of comprehensive supervision inspections. In preparing this accountancy and in liquidity planning and managing, conservative assumptions on the amount of cash outflows prevail. This approach is preferable since it is an indicator of banks' prudence in liquidity management.

Appendix 1

Chart 21

Total Amount of Loans by Quarter

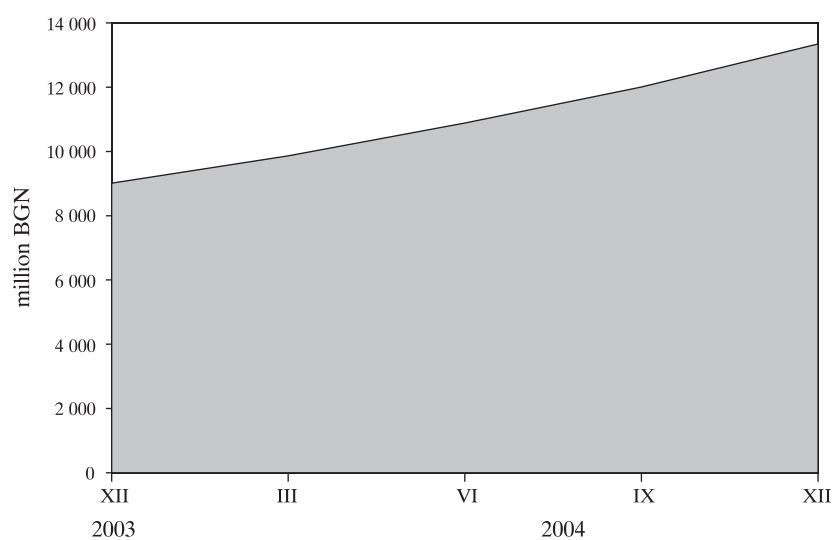


Chart 22

Loan Structure as of December 2004

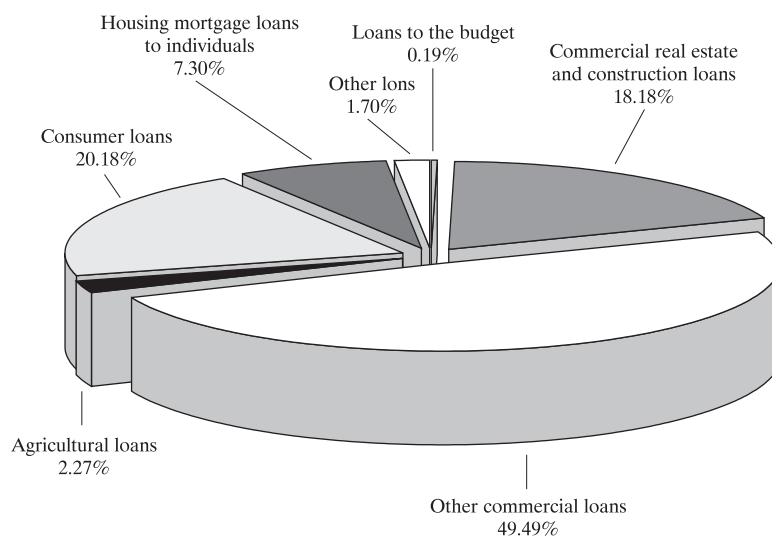


Chart 23

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

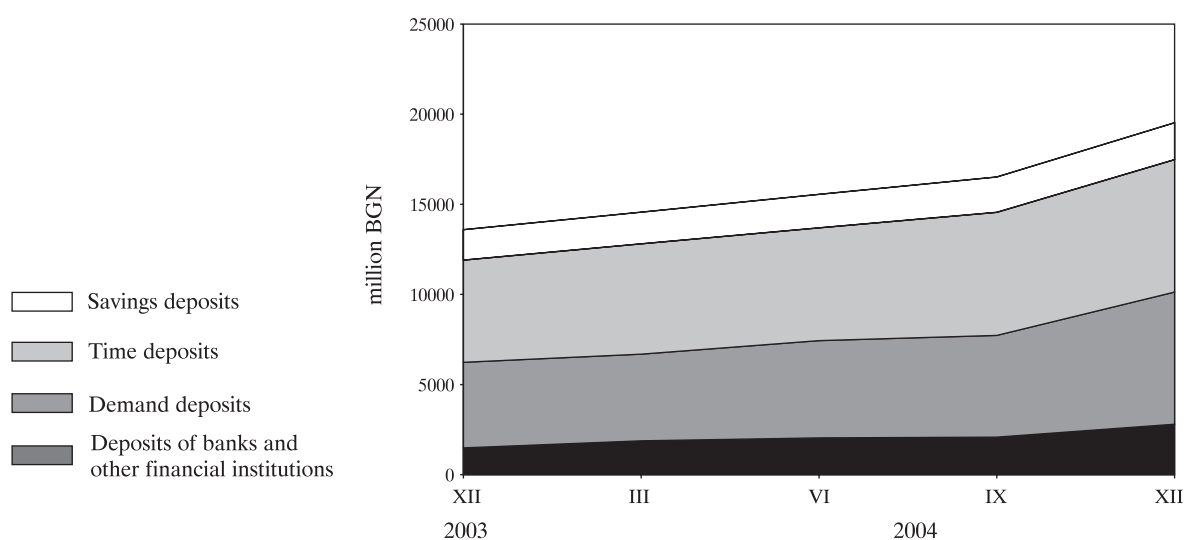


Chart 24

The Loans to Deposits Ratios

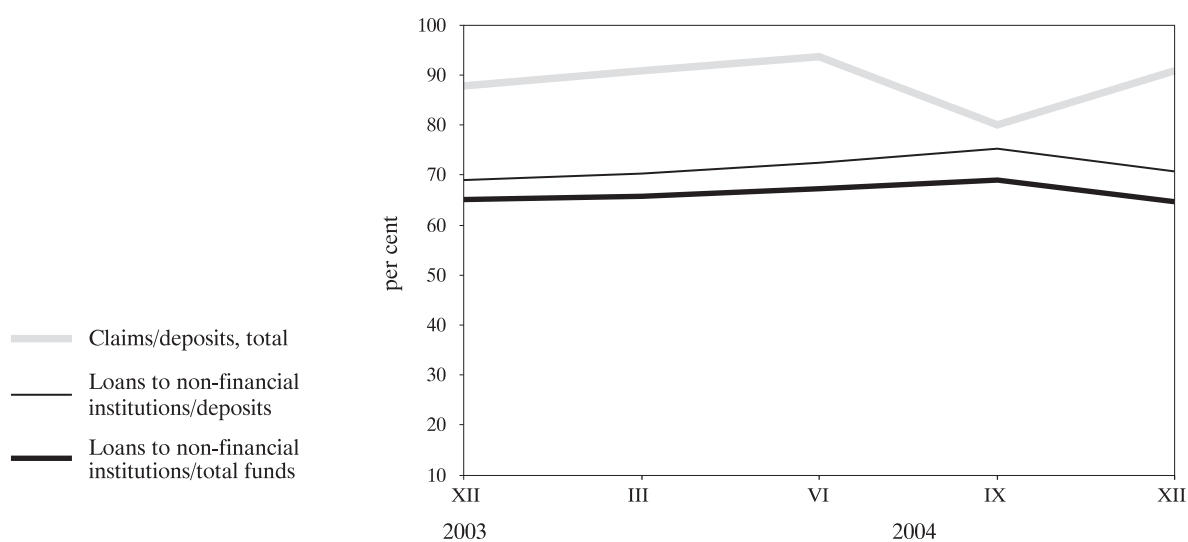
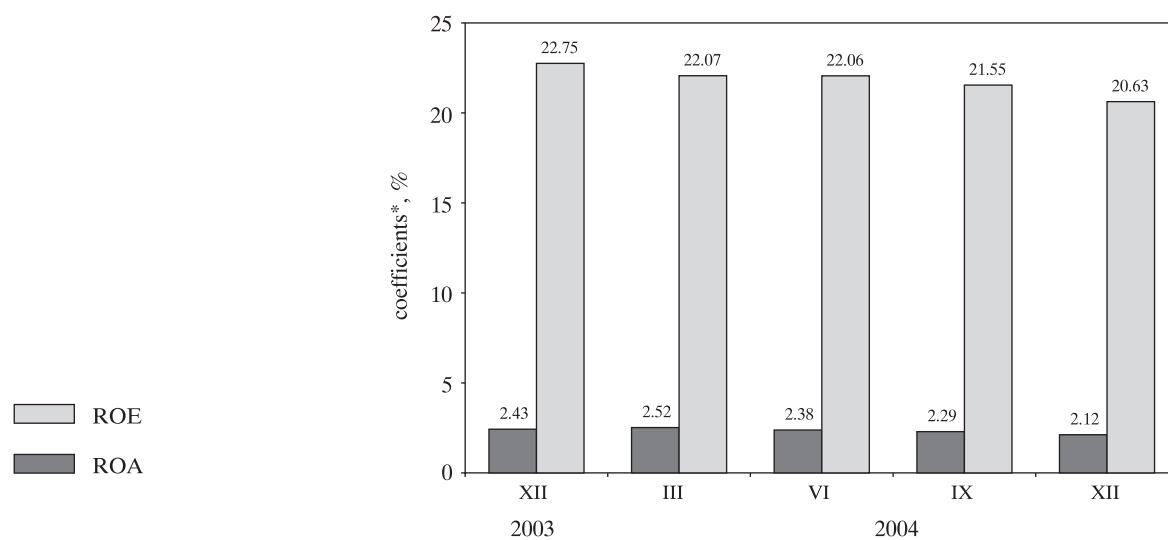
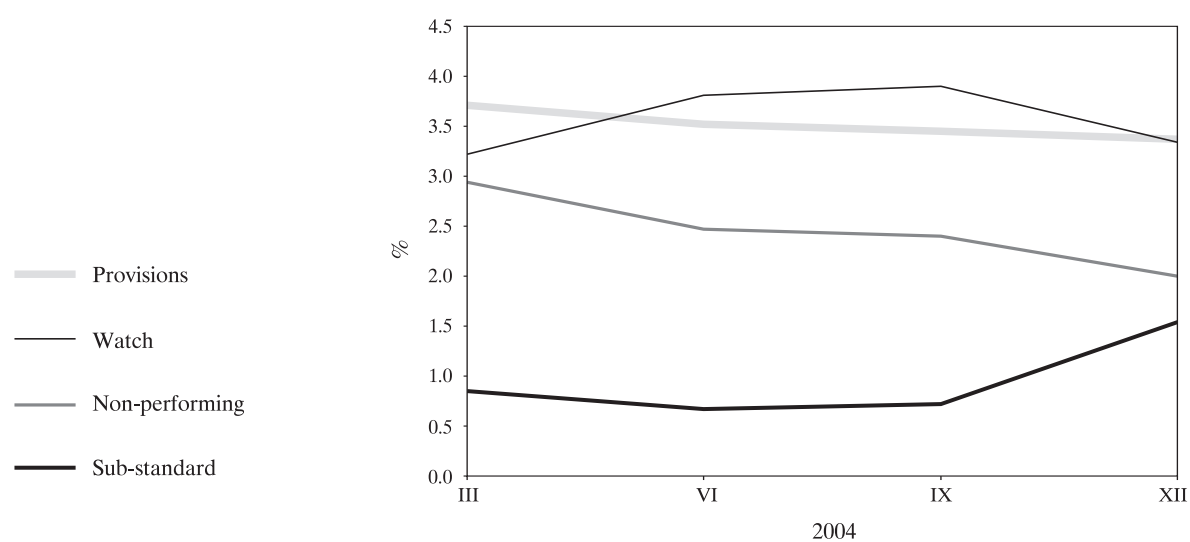


Chart 25

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

* Net profit since early year until the end of the respective quarter as a share of average assets since early year.

Chart 26

Loans to Non-financial Institutions by Quarter and Allocated Provisions

Appendix 2

Used Indicators

Asset Quality Ratios

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

Ratios Used to Analyse Provisions

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

Income Ratios

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

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

Capital Ratios

1.	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 Ordinance No. 8
4.	Degree of asset coverage	Capital base/total assets under Ordinance No. 8
5.	Degree of asset risk	Total risk component/ total assets under Ordinance No. 8
6.	Capital exceeding regulatory minimum under Ordinance No. 8	The smallest amount of: 1) total capital base – BGN 10,000 2) total capital base – 12 per cent of the total risk component or 3) total capital base – 6 per cent of total assets
7.	Net classified assets as a percentage of the capital base	Classified assets (watch, sub-standard, non-performing) 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.	Non-core borrowed funds growth in previous 12 months	Non-core borrowed funds (current quarter, current year) – non-core borrowed funds (corresponding quarter, previous year)/non-core borrowed funds (corresponding quarter, previous year)

Liquidity Ratios

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

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

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

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

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

Group II: *the other Bulgarian banks. It includes Hebros Commercial Bank, Municipal Bank, Central Cooperative Bank, Corporate Commercial Bank, Allianz Bulgaria Commercial Bank (former Bulgaria-Invest Commercial Bank), Evrobank, Unionbank, Bulgarian-American Credit Bank, ProCredit Bank, BNP Paribas, Bulgaria, UNIBANK (former 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, WestEast Bank, Texim Private Entrepreneurial Bank.*

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

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

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

III. Banking Supervision Regulations

Open Foreign Currency Positions of Commercial Banks as of 31 December 2004 (under Ordinance No. 4 of the BNB)	45
Capital Adequacy of Commercial Banks as of 31 December 2004 (under Ordinance No. 8 of the BNB)	45
Liquidity of Commercial Banks as of 31 December 2004 (under Ordinance No. 11 of the BNB)	46
Credit Portfolio of Commercial Banks as of 31 December 2004 (under Ordinance No. 9 of the BNB)	47
High Liquidity Asset Ratios (share of deposits, %)	48

OPEN FOREIGN CURRENCY POSITIONS OF COMMERCIAL BANKS AS OF 31 DECEMBER 2004
(under Ordinance No. 4 of the BNB)

Banks	Open positions to capital base (%)
Group I	-4.55
Group II	-1.23
Banking system, total	-3.66

Source: BNB.

CAPITAL ADEQUACY OF COMMERCIAL BANKS AS OF 31 DECEMBER 2004
(under Ordinance 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	1 646 371	1 413 815	10 868 762	15.15	13.01	9.17
Group II	608 290	557 498	3 150 745	19.31	17.69	12.29
Banking system, total	2 254 661	1 971 313	14 019 506	16.08	14.06	9.84

Source: BNB.

LIQUIDITY OF COMMERCIAL BANKS AS OF 31 DECEMBER 2004
(under Ordinance No. 11 of the BNB)

(BGN'000)

Items	Total	Overdue assets of 15 or more days/ assets in pawn	At sight up to 7 days	From 8 days to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year
Group I								
Liquid assets, total	5 772 363	803 937						
ASSETS, TOTAL – inflow	17 354 507	934 455	5 564 988	1 301 116	856 741	1 140 922	1 987 673	6 503 067
BORROWED FUNDS, TOTAL (DEPOSITS)	16 096 268		4 352 709	2 910 546	1 327 275	1 022 425	1 616 556	4 866 757
Coefficient of liquid assets	30.87							
Adjusted coefficient of liquid assets to deposits			127.85	85.16	64.55	111.59	122.96	133.62
Group II								
Liquid assets, total	1 560 683	301 372						
ASSETS, TOTAL – inflow	4 734 572	410 808	1 705 061	209 852	269 784	392 614	657 813	1 499 448
BORROWED FUNDS, TOTAL (DEPOSITS)	4 304 211		1 051 466	698 862	465 797	536 264	552 824	998 998
Coefficient of liquid assets	29.26							
Adjusted coefficient of liquid assets to deposits			162.16	101.62	57.92	73.21	118.99	150.10
Group III								
Liquid assets, total	766 129	2 519						
ASSETS, TOTAL – inflow	1 812 382	4 257	879 326	94 151	142 446	132 888	206 860	356 711
BORROWED FUNDS, TOTAL (DEPOSITS)	1 753 318		946 956	179 032	175 744	140 509	78 112	232 965
Coefficient of liquid assets	43.55							
Adjusted coefficient of liquid assets to deposits			92.86	52.59	81.05	94.58	264.82	153.12
BANKING SYSTEM, TOTAL								
Liquid assets, total	8 099 175	1 107 828						
ASSETS, TOTAL – inflow	23 901 461	1 349 520	8 149 375	1 605 119	1 268 971	1 666 424	2 852 346	8 359 226
BORROWED FUNDS, TOTAL (DEPOSITS)	22 153 797		6 351 131	3 788 440	1 968 816	1 699 198	2 247 492	6 098 720
Coefficient of liquid assets	31.56							
Adjusted coefficient of liquid assets to deposits			128.31	83.33	64.45	98.07	126.91	137.07

Source: BNB.

CREDIT PORTFOLIO OF COMMERCIAL BANKS AS OF 31 DECEMBER 2004
(under Ordinance No. 9 of the BNB)

Bank groups	Loans	December 2004
Group I	Total (BGN'000)	10 207 774
	Standard (%)	93.25
	Watch (%)	3.07
	Sub-standard (%)	1.62
	Non-performing (%)	2.07
	Provisions (%)	3.39
Group II	Total (BGN'000)	2 817 535
	Standard (%)	92.03
	Watch (%)	4.02
	Sub-standard (%)	1.68
	Non-performing (%)	2.28
	Provisions (%)	3.84
Group III	Total (BGN'000)	785 641
	Standard (%)	95.33
	Watch (%)	4.42
	Sub-standard (%)	0.01
	Non-performing (%)	0.23
	Provisions (%)	1.45
Banking system, total	Total (BGN'000)	13 810 950
	Standard (%)	93.12
	Watch (%)	3.34
	Sub-standard (%)	1.54
	Non-performing (%)	2.00
	Provisions (%)	3.37

Source: BNB.

HIGH LIQUIDITY ASSET RATIOS

(share of deposits, %)

Commercial bank groups		December 2004
Group I	Primary liquidity	13.76
	Secondary liquidity	30.87
Group II	Primary liquidity	14.86
	Secondary liquidity	29.26
Group III	Primary liquidity	10.31
	Secondary liquidity	43.55
Banking system, total	Primary liquidity	13.65
	Secondary liquidity	31.56

Source: BNB.

IV. Balance Sheets and Income Statements

(as of December 2004)

Balance Sheet of the Banking System	51
Income Statement of the Banking System	53
Balance Sheet of Group I Banks	55
Income Statement of Group I Banks	57
Balance Sheet of Group II Banks	59
Income Statement of Group II Banks	61
Balance Sheet of Group III Banks	63
Income Statement of Group III Banks	65

BALANCE SHEET OF THE BANKING SYSTEM AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
(BGN 000)					
ASSETS					
Vault cash and current accounts with the BNB	2 666 034		1 677 784	338 677	649 573
Claims on financial institutions					
Demand deposits with banks	735 734	359 661	16 099	138 851	221 123
Time deposits with banks	2 962 549	102 405	284 281	1 382 378	1 193 485
Loans to banks	35 104	0	31	17 819	17 254
Other claims on banks	6 779	0	927	1 244	4 608
Loans to other financial institutions	187 331	143 964	8 769	28 465	6 133
Claims on financial institutions, total	3 927 497	606 030	310 107	1 568 757	1 442 603
Less: specific provisions	4 160		1 095	2 829	236
Claims on financial institutions, net	3 923 337	606 030	309 012	1 565 928	1 442 367
Claims under repurchase agreements	160 749	0	64 403	73 073	23 273
Trading portfolio	2 020 671	242	779 887	1 002 360	238 182
Investment portfolio					
Investments held to maturity	1 076 627	0	417 041	389 996	269 590
Investments available for sale	719 849	0	351 710	194 318	173 821
Loans to non-financial institutions and other customers					
Loans to budget	26 334		26 334	0	0
Commercial loans					
Commercial real estate and construction loans	2 607 108		588 728	1 828 870	189 510
Other commercial loans	6 834 472		2 722 640	3 451 616	660 216
Agricultural loans	313 340		230 603	69 665	13 072
Consumer loans	2 786 176		2 730 970	51 261	3 945
Housing mortgage loans to individuals	1 008 420		766 457	227 030	14 933
Other loans	235 100	0	116 379	92 562	26 159
Loans to non-financial institutions and other customers, total	13 810 950	0	7 182 111	5 721 004	907 835
Less: specific provisions	465 796		274 143	137 925	53 728
Loans to non-financial institutions and other customers, net	13 345 154	0	6 907 968	5 583 079	854 107
Memo: purchased loans	18 864				
Assets for resale	11 483		11 483	0	0
Investments in subsidiaries, associated and joint-venture companies	29 759		29 759	0	0
Other assets					
Hedging derivatives	148	0	148	0	0
Other assets	166 857	443	92 891	39 637	33 886
Other assets, total	167 005	443	93 039	39 637	33 886
Intangible assets	132 005		131 826	0	179
Premises and other fixed assets	664 686		664 070	0	616
Assets, total	24 917 359	606 715	11 437 982	9 187 068	3 685 594

(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	100 685	2 029	50 038	36 430	12 188	
Time deposits of banks	1 955 208	505 214	381 719	672 585	395 690	
Deposits of other financial institutions	740 669	1 278	328 408	366 061	44 922	
Deposits of non-financial institutions and other customers						
Demand deposits	7 331 380	0	4 145 050	2 561 430	624 900	
Time deposits	7 352 742	0	2 689 975	2 563 092	2 099 675	
Savings deposits	2 047 730	0	1 050 873	571 324	425 533	
Deposits, total	19 528 414	508 521	8 646 063	6 770 922	3 602 908	
Borrowings under repurchase agreements	200 338	0	125 974	67 069	7 295	
Short-term borrowings						
From the BNB	0		0	0	0	
From banks	320 223	0	0	145 175	175 048	
Other	23 697	0	9 225	12 535	1 937	
Long-term borrowings	1 517 280	41	182 909	1 232 368	101 962	
Memo: borrowings from banks	1 178 940	41	75 937	1 030 772	72 190	
Subordinated term debt and debt/equity (hybrid) instruments						
Subordinated term debt	73 112		4 000	68 584	528	
Debt/equity (hybrid) instruments	55 431		0	41 072	14 359	
Other liabilities						
Trading portfolio liabilities	16 969	2 940	3 396	8 077	2 556	
Hedging derivatives	9 096	0	9 096	0	0	
Specific provisions on off-balance sheet commitments	46 505	0	992	3 654	41 859	
Other liabilities	394 050	12 402	229 101	101 276	51 271	
Liabilities, total	22 185 115	523 904	9 210 756	8 450 732	3 999 723	
Minority interest in consolidated subsidiaries	0		0	0	0	
Equity						
Common stock	1 028 414		1 028 414			
Share premium on common stock	1 619		1 619			
Preferred stock and related premium	0		0			
Reserves						
Retained profit/loss, previous years	15 997	23 715	-7 718			
Statutory reserves	448 280		448 280			
Other reserves	609 966	25 499	584 467			
Cumulative forex translation adjustment	0		0			
Other equity components						
Revaluation – fixed assets	184 047	219	183 828			
Revaluation – investments available for sale	11 448	487	10 961			
Revaluation – cash flow hedges	0	0	0			
Profit/loss, current year	434 112		434 112			
One-off effect of the change in accounting regime	-1 639	0	-1 639			
Equity, total	2 732 244	49 920	2 682 324			
Liabilities, minority interest, and capital, total	24 917 359	573 824	11 893 080	8 450 732	3 999 723	
Memo: credit substitutes and other off-balance sheet commitments	3 621 215	17 716	1 525 480	1 596 611	481 408	

INCOME STATEMENT OF THE BANKING SYSTEM (December 2004)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME					
Interest income from demand deposits with banks	2 327	197	712	608	810
Interest income from time deposits with banks	52 447	3 134	6 218	21 039	22 056
Interest income from loans to banks	682	0	10	364	308
Interest income from other claims on banks	730	31	255	19	425
Interest income from loans to other financial institutions	7 115	5 310	593	726	486
Interest income from claims under repurchase agreements	5 342	0	1 988	3 203	151
Interest income from trading portfolio	76 155	0	45 064	21 880	9 211
Interest income from investment portfolio	88 805	0	36 970	35 509	16 326
Bulgarian government securities	55 255		33 507	17 566	4 182
Other domestic debt securities	6 989	0	3 457	2 678	854
Debt securities issued by foreign governments and international financial institutions	11 015		6	7 932	3 077
Other external debt securities	15 546	0	0	7 333	8 213
Interest income from loans	1 157 626	0	718 816	359 773	79 037
Loans to budget	2 376		2 358	18	0
Commercial real estate and construction loans	195 968		53 276	119 522	23 170
Other commercial loans	532 538		268 187	213 656	50 695
Agricultural loans	22 721		18 350	3 779	592
Consumer loans	312 623		308 291	3 876	456
Housing mortgage loans to individuals	72 904		59 179	11 687	2 038
Other loans	18 496	0	9 175	7 235	2 086
Dividend income	932	0	928	4	0
Interest and dividend income, total	1 392 161	8 672	811 554	443 125	128 810
INTEREST EXPENDITURE					
Interest expenditure on deposits of banks	31 227	6 011	9 765	11 421	4 035
Interest expenditure on deposits of other financial institutions	26 768	41	10 767	11 872	4 088
Interest expenditure on demand deposits of non-financial institutions and other customers	30 338	0	20 416	6 815	3 107
Interest expenditure on time deposits of non-financial institutions and other customers	184 527	0	78 547	56 044	49 936
Interest expenditure on savings deposits of non-financial institutions and other customers	21 053	0	14 712	4 124	2 217
Interest expenditure on borrowings under repurchase agreements	4 560	0	3 729	712	119
Interest expenditure on short-term borrowings	12 891	0	490	4 140	8 256
Interest expenditure on long-term borrowings	43 257	0	6 545	31 478	5 234
Interest expenditure on subordinated term debt	3 400	0	50	3 320	30
Interest expenditure on debt/equity (hybrid) instruments	3 315		62	1 835	1 418
Interest expenditure on other liabilities	3 639		98	2 398	1 137
Interest expenditure, total	364 975	6 058	145 181	134 159	79 577
INTEREST AND DIVIDEND INCOME, NET	1 027 186	2614	666 373	313 355	44 844
CREDIT PROVISIONS					
Accrued provisions	405 636	0			
Reintegrated provisions	269 317	0			
Credit provisions, net	136 319	0			

(continued)

(continued)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS					
Gain/loss on securities trading portfolio	39 590	0			
Gain/loss on derivatives held for trading	-13 590	-118			
Gain/loss on other instruments in trading portfolio	-2	0			
Trading portfolio gain/loss, total	25 998	-118			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE					
Gain/loss on investments available for sale	55 350	0			
Gain/loss on instruments effectively hedging investments available for sale	576	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	6 518	0			
OTHER NON-INTEREST INCOME					
Loan servicing income	84 205	118			
Fee income on off-balance sheet accounts	25 587	2			
Service charges on deposits	124 940	1			
Other fees and commissions	112 499	62			
Gain/loss on assets held for resale	-3 277	0			
Gain/loss on sale of other assets	148	0			
Gain/loss on foreign currency transactions	40 011	389			
Other non-interest income	28 483	0			
NON-INTEREST EXPENDITURE					
Salary, social security, and pension expenditure	316 702				
Occupancy expenditure, net	163 763				
External service expenditure paid to shareholders, subsidiaries and associated companies	11 282				
Other external service expenditure	229 652	3 989			
Other non-interest expenditure	161 429	1			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	509 077	-922			
FOREX REVALUATION GAIN/LOSS	17 706	42			
EXTRAORDINARY GAIN/LOSS	11 133	0			
TAX	103 804				
MINORITY INTEREST	0				
PROFIT/LOSS, NET	434 112	-880			

BALANCE SHEET OF GROUP I BANKS AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	1 978 749	1 254 158	273 104	451 487
Claims on financial institutions				
Demand deposits with banks	293 876	12 679	110 411	170 786
Time deposits with banks	1 994 267	136 317	977 124	880 826
Loans to banks	28 119	31	10 834	17 254
Other claims on banks	5 530	638	580	4 312
Loans to other financial institutions	18 730	3 337	15 393	0
Claims on financial institutions, total	2 340 522	153 002	1 114 342	1 073 178
Less: specific provisions	619	394	35	190
Claims on financial institutions, net	2 339 903	152 608	1 114 307	1 072 988
Claims under repurchase agreements	92 266	43 826	37 825	10 615
Trading portfolio	1 529 635	460 398	891 300	177 937
Investment portfolio	1 562 721	652 749	508 249	401 723
Investments held to maturity	1 036 278	403 842	372 712	259 724
Investments available for sale	526 443	248 907	135 537	141 999
Loans to non-financial institutions and other customers				
Loans to budget	21 518	21 518	0	0
Commercial loans	6 393 254	2 189 212	3 600 096	603 946
Commercial real estate and construction loans	1 542 003	373 933	1 053 237	114 833
Other commercial loans	4 851 251	1 815 279	2 546 859	489 113
Agricultural loans	179 016	117 368	58 395	3 253
Consumer loans	2 549 632	2 513 224	33 615	2 793
Housing mortgage loans to individuals	921 579	741 009	170 571	9 999
Other loans	142 775	69 610	55 677	17 488
Loans to non-financial institutions and other customers, total	10 207 774	5 651 941	3 918 354	637 479
Less: specific provisions	346 197	213 542	89 776	42 879
Loans to non-financial institutions and other customers, net	9 861 577	5 438 399	3 828 578	594 600
Memo: purchased loans	17 740			
Assets for resale	5 451	5 451	0	0
Investments in subsidiaries, associated and joint-venture companies	25 920	25 920	0	0
Other assets				
Hedging derivatives	148	148	0	0
Other assets	105 938	47 855	32 899	25 184
Other assets, total	106 086	48 003	32 899	25 184
Intangible assets	103 571	103 392	0	179
Premises and other fixed assets	506 170	505 554	0	616
Assets, total	18 112 049	8 690 458	6 686 262	2 735 329

(continued)

(continued)		(BGN'000)		
	Total	Including		
		BGN	EUR	Other currencies
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	1 682 924	466 007	921 449	295 468
Demand deposits of banks	89 187	48 132	31 854	9 201
Time deposits of banks	1 084 018	272 628	554 637	256 753
Deposits of other financial institutions	509 719	145 247	334 958	29 514
Deposits of non-financial institutions and other customers	12 693 682	5 869 977	4 379 763	2 443 942
Demand deposits	5 288 932	2 889 774	1 931 145	468 013
Time deposits	5 603 746	2 022 970	1 973 887	1 606 889
Savings deposits	1 801 004	957 233	474 731	369 040
Deposits, total	14 376 606	6 335 984	5 301 212	2 739 410
Borrowings under repurchase agreements	142 472	87 336	47 841	7 295
Short-term borrowings	312 490	7 408	130 393	174 689
From the BNB	0	0	0	0
From banks	305 082	0	130 393	174 689
Other	7 408	7 408	0	0
Long-term borrowings	856 449	66 580	722 018	67 851
Memo: borrowings from banks	839 230	60 797	710 582	67 851
Subordinated term debt and debt/equity (hybrid) instruments	92 374	3 000	89 374	0
Subordinated term debt	51 302	3 000	48 302	0
Debt/equity (hybrid) instruments	41 072	0	41 072	0
Other liabilities	328 382	179 667	70 891	77 824
Trading portfolio liabilities	11 683	3 396	6 503	1 784
Hedging derivatives	9 096	9 096	0	0
Specific provisions on off-balance sheet commitments	46 505	992	3 654	41 859
Other liabilities	261 098	166 183	60 734	34 181
Liabilities, total	16 108 773	6 679 975	6 361 729	3 067 069
Minority interest in consolidated subsidiaries	0	0	0	0
Equity				
Common stock	603 535	603 535		
Share premium on common stock	0	0		
Preferred stock and related premium	0	0		
Reserves	868 256	868 256		
Retained profit/loss, previous years	960	960		
Statutory reserves	343 077	343 077		
Other reserves	524 219	524 219		
Cumulative forex translation adjustment	0	0		
Other equity components	182 489	182 489		
Revaluation – fixed assets	175 737	175 737		
Revaluation – investments available for sale	6 752	6 752		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	351 988	351 988		
One-off effect of the change in accounting regime	-2 992	-2 992		
Equity, total	2 003 276	2 003 276		
Liabilities, minority interest, and capital, total	18 112 049	8 683 251	6 361 729	3 067 069
Memo: credit substitutes and other off-balance sheet commitments	2 278 205	900 310	990 344	387 551

INCOME STATEMENT OF GROUP I BANKS

(December 2004)

December 2007

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME				
Interest income from demand deposits with banks	1 277	277	266	734
Interest income from time deposits with banks	35 533	3 211	14 276	18 046
Interest income from loans to banks	648	9	349	290
Interest income from other claims on banks	404	0	18	386
Interest income from loans to other financial institutions	600	355	53	192
Interest income from claims under repurchase agreements	4 648	1 472	3 038	138
Interest income from trading portfolio	47 925	26 651	14 920	6 354
Interest income from investment portfolio	80 361	33 862	31 793	14 706
Bulgarian government securities	48 822	30 554	15 363	2 905
Other domestic debt securities	6 528	3 308	2 431	789
Debt securities issued by foreign governments and international financial institutions	9 485	0	6 683	2 802
Other external debt securities	15 526	0	7 316	8 210
Interest income from loans	840 463	568 445	225 480	46 538
Loans to budget	1 781	1 776	5	0
Commercial real estate and construction loans	104 003	31 118	60 267	12 618
Other commercial loans	358 717	179 241	147 649	31 827
Agricultural loans	11 343	8 788	2 216	339
Consumer loans	289 756	286 799	2 631	326
Housing mortgage loans to individuals	66 366	57 480	7 864	1 022
Other loans	8497	3243	4848	406
Dividend income	144	144	0	0
Interest and dividend income, total	1 012 003	634 426	290 193	87 384
INTEREST EXPENDITURE				
Interest expenditure on deposits of banks	16 385	6 427	7 685	2 278
Interest expenditure on deposits of other financial institutions	17 673	3 321	10 759	3 593
Interest expenditure on demand deposits of non-financial institutions and other customers	21 093	14 285	4 406	2 402
Interest expenditure on time deposits of non-financial institutions and other customers	131 410	60 122	38 124	33 164
Interest expenditure on savings deposits of non-financial institutions and other customers	17 703	13 230	3 012	1 461
Interest expenditure on borrowings under repurchase agreements	2 488	1 723	646	119
Interest expenditure on short-term borrowings	10 880	90	2 652	8 133
Interest expenditure on long-term borrowings	19 508	3 156	13 558	2 794
Interest expenditure on subordinated term debt	3 264	0	3 264	0
Interest expenditure on debt/equity (hybrid) instruments	1 835	0	1 835	0
Interest expenditure on other liabilities	2 566	27	2 248	291
Interest expenditure, total	244 805	102 381	88 189	54 235
INTEREST AND DIVIDEND INCOME, NET	767 198	532 045	206 393	28 760
CREDIT PROVISIONS				
Accrued provisions	224 004			
Reintegrated provisions	127 912			
Credit provisions, net	96 092			

(continued)

(continued)		(BGN'000)		
	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading portfolio	27 069			
Gain/loss on derivatives held for trading	-14 299			
Gain/loss on other instruments in trading portfolio	22			
Trading portfolio gain/loss, total	12 792			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	50 355			
Gain/loss on investments available for sale	49 779			
Gain/loss on instruments effectively hedging investments available for sale	576			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	6 678			
OTHER NON-INTEREST INCOME	283 594			
Loan servicing income	57 803			
Fee income on off-balance sheet accounts	14 622			
Service charges on deposits	95 831			
Other fees and commissions	80 142			
Gain/loss on assets held for resale	-3 101			
Gain/loss on sale of other assets	285			
Gain/loss on foreign currency transactions	23 931			
Other non-interest income	14 081			
NON-INTEREST EXPENDITURE	612 294			
Salary, social security, and pension expenditure	215 796			
Occupancy expenditure, net	113 250			
External service expenditure paid to shareholders, subsidiaries and associated companies	5 709			
Other external service expenditure	173 976			
Other non-interest expenditure	103 563			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	412 231			
FOREX REVALUATION GAIN/LOSS	13 017			
EXTRAORDINARY GAIN/LOSS	10 724			
TAX	83 984			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	351 988			

BALANCE SHEET OF GROUP II BANKS AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	510 332	336 470	59 649	114 213
Claims on financial institutions				
Demand deposits with banks	62 342	3 402	23 283	35 657
Time deposits with banks	756 721	62 425	392 344	301 952
Loans to banks	6 985	0	6 985	0
Other claims on banks	986	289	401	296
Loans to other financial institutions	18 792	3 057	9 602	6 133
Claims on financial institutions, total	845 826	69 173	432 615	344 038
Less: specific provisions	3 541	701	2 794	46
Claims on financial institutions, net	842 285	68 472	429 821	343 992
Claims under repurchase agreements	68 483	20 577	35 248	12 658
Trading portfolio	450 675	295 287	103 810	51 578
Investment portfolio	154 040	73 391	42 628	38 021
Investments held to maturity	40 349	13 199	17 284	9 866
Investments available for sale	113 691	60 192	25 344	28 155
Loans to non-financial institutions and other customers				
Loans to budget	4 816	4 816	0	0
Commercial loans	2 313 679	908 724	1 186 182	218 773
Commercial real estate and construction loans	770 957	181 021	535 425	54 511
Other commercial loans	1 542 722	727 703	650 757	164 262
Agricultural loans	123 828	111 163	11 170	1 495
Consumer loans	230 636	212 893	16 626	1 117
Housing mortgage loans to individuals	63 787	14 549	44 539	4 699
Other loans	80 789	46 577	25 582	8 630
Loans to non-financial institutions and other customers, total	2 817 535	1 298 722	1 284 099	234 714
Less: specific provisions	108 177	58 017	39 493	10 667
Loans to non-financial institutions and other customers, net	2 709 358	1 240 705	1 244 606	224 047
Memo: purchased loans	1 124			
Assets for resale	6 032	6 032	0	0
Investments in subsidiaries, associated and joint-venture companies	3 839	3 839	0	0
Other assets				
Hedging derivatives	0	0	0	0
Other assets	54 620	42 417	3 960	8 243
Other assets, total	54 620	42 417	3 960	8 243
Intangible assets	23 650	23 650	0	0
Premises and other fixed assets	152 037	152 037	0	0
Assets, total	4 975 351	2 262 877	1 919 722	792 752

(continued)

(continued)		(BGN'000)		
		Total	Including	
			BGN	EUR
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	473 867	245 687	107 462	120 718
Demand deposits of banks	8 230	696	4 575	2 959
Time deposits of banks	265 095	82 802	78 827	103 466
Deposits of other financial institutions	200 542	162 189	24 060	14 293
Deposits of non-financial institutions and other customers	2 961 338	1 574 001	779 470	607 867
Demand deposits	1 300 229	991 444	188 580	120 205
Time deposits	1 445 521	493 032	514 303	438 186
Savings deposits	215 588	89 525	76 587	49 476
Deposits, total	3 435 205	1 819 688	886 932	728 585
Borrowings under repurchase agreements	53 826	34 598	19 228	0
Short-term borrowings	31 430	1 817	27 317	2 296
From the BNB	0	0	0	0
From banks	15 141	0	14 782	359
Other	16 289	1 817	12 535	1 937
Long-term borrowings	660 790	116 329	510 350	34 111
Memo: borrowings from banks	339 669	15 140	320 190	4 339
Subordinated term debt and debt/equity (hybrid) instruments	36 169	1 000	20 282	14 887
Subordinated term debt	21 810	1 000	20 282	528
Debt/equity (hybrid) instruments	14 359	0	0	14 359
Other liabilities	97 251	45 363	37 379	14 509
Trading portfolio liabilities	1 715	0	1 574	141
Hedging derivatives	0	0	0	0
Specific provisions on off-balance sheet commitments	0	0	0	0
Other liabilities	95 536	45 363	35 805	14 368
Liabilities, total	4 314 671	2 018 795	1 501 488	794 388
Minority interest in consolidated subsidiaries	0	0	0	0
Equity				
Common stock	424 879	424 879		
Share premium on common stock	1 619	1 619		
Preferred stock and related premium	0	0		
Reserves	156 773	156 773		
Retained profit/loss, previous years	-8 678	-8 678		
Statutory reserves	105 203	105 203		
Other reserves	60 248	60 248		
Cumulative forex translation adjustment	0	0		
Other equity components	12 300	12 300		
Revaluation – fixed assets	8 091	8 091		
Revaluation – investments available for sale	4 209	4 209		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	63 756	63 756		
One-off effect of the change in accounting regime	1 353	1 353		
Equity, total	660 680	660 680		
Liabilities, minority interest, and capital, total	4 975 351	2 679 475	1 501 488	794 388
Memo: credit substitutes and other off-balance sheet commitments	871 089	479 629	321 811	69 649

INCOME STATEMENT OF GROUP II BANKS (December 2004)

December 2017

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME				
Interest income from demand deposits with banks	455	42	337	76
Interest income from time deposits with banks	11 876	2 017	5 937	3 922
Interest income from loans to banks	34	1	15	18
Interest income from other claims on banks	294	254	1	39
Interest income from loans to other financial institutions	1 172	222	656	294
Interest income from claims under repurchase agreements	694	516	165	13
Interest income from trading portfolio	26 020	16 343	6 850	2 827
Interest income from investment portfolio	6 041	2 550	2 146	1 345
Bulgarian government securities	5 461	2 395	1 789	1 277
Other domestic debt securities	461	149	247	65
Debt securities issued by foreign governments and international financial institutions	99	6	93	0
Other external debt securities	20	0	17	3
Interest income from loans	278 084	136 786	111 669	29 629
Loans to budget	595	582	13	0
Commercial real estate and construction loans	81 738	21 195	50 805	9 738
Other commercial loans	147 879	77 987	52 841	17 051
Agricultural loans	10 746	9 144	1 465	137
Consumer loans	22 229	20 989	1 140	100
Housing mortgage loans to individuals	5 405	966	3 516	923
Other loans	9492	5923	1889	1680
Dividend income	788	784	4	0
Interest and dividend income, total	325 458	159 515	127 780	38 163
INTEREST EXPENDITURE				
Interest expenditure on deposits of banks	4 850	2 235	1 879	736
Interest expenditure on deposits of other financial institutions	8 701	7 279	984	438
Interest expenditure on demand deposits of non-financial institutions and other customers	6 636	5 233	875	528
Interest expenditure on time deposits of non-financial institutions and other customers	49 616	17 223	16 209	16 184
Interest expenditure on savings deposits of non-financial institutions and other customers	3 104	1 454	962	688
Interest expenditure on borrowings under repurchase agreements	2 035	1 969	66	0
Interest expenditure on short-term borrowings	2 011	400	1 488	123
Interest expenditure on long-term borrowings	23 749	3 389	17 920	2 440
Interest expenditure on subordinated term debt	136	50	56	30
Interest expenditure on debt/equity (hybrid) instruments	1 480	62	0	1 418
Interest expenditure on other liabilities	1 066	70	150	846
Interest expenditure, total	103 384	39 364	40 589	23 431
INTEREST AND DIVIDEND INCOME, NET	222 074	120 151	87 191	14 732
CREDIT PROVISIONS				
Accrued provisions	172 818			
Reintegrated provisions	133 365			
Credit provisions, net	39 453			

(continued)

(continued)		(BGN'000)		
	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading potfolio	11 789			
Gain/loss on derivatives held for trading	972			
Gain/loss on other instruments in trading portfolio	-24			
Trading portfolio gain/loss, total	12 737			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	5 659			
Gain/loss on investments available for sale	5 659			
Gain/loss on instruments effectively hedging investments available for sale	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-160			
OTHER NON-INTEREST INCOME	109 946			
Loan servicing income	24 068			
Fee income on off-balance sheet accounts	9 592			
Service charges on deposits	26 281			
Other fees and commissions	26 183			
Gain/loss on assets held for resale	-176			
Gain/loss on sale of other assets	-137			
Gain/loss on foreign currency transactions	11196			
Other non-interest income	12 939			
NON-INTEREST EXPENDITURE	236 386			
Salary, social security, and pension expenditure	90 861			
Occupancy expenditure, net	46 131			
External service expenditure paid to shareholders, subsidiaries and associated companies	5 573			
Other external service expenditure	41 604			
Other non-interest expenditure	52 217			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	74 417			
FOREX REVALUATION GAIN/LOSS	4 226			
EXTRAORDINARY GAIN/LOSS	513			
TAX	15 400			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	63 756			

BALANCE SHEET OF GROUP III BANKS AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	176 953		176 953	87 156	5 924	83 873
Claims on financial institutions						
Demand deposits with banks	379 516	359 661	19 855	18	5 157	14 680
Time deposits with banks	211 561	102 405	109 156	85 539	12 910	10 707
Loans to banks	0	0	0	0	0	0
Other claims on banks	263	0	263	0	263	0
Loans to other financial institutions	149 809	143 964	5 845	2 375	3 470	0
Claims on financial institutions, total	741 149	606 030	135 119	87 932	21 800	25 387
Less: specific provisions	0	0	0	0	0	0
Claims on financial institutions, net	741 149	606 030	135 119	87 932	21 800	25 387
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	40 361	242	40 119	24 202	7 250	8 667
Investment portfolio	79 715	0	79 715	42 611	33 437	3 667
Investments held to maturity	0	0	0	0	0	0
Investments available for sale	79 715	0	79 715	42 611	33 437	3 667
Loans to non-financial institutions and other customers	785 641	0	785 641	231 448	518 551	35 642
Loans to budget	0		0	0	0	0
Commercial loans	734 647	0	734 647	213 432	494 208	27 007
Commercial real estate and construction loans	294 148		294 148	33 774	240 208	20 166
Other commercial loans	440 499		440 499	179 658	254 000	6 841
Agricultural loans	10 496		10 496	2 072	100	8 324
Consumer loans	5 908		5 908	4 853	1 020	35
Housing mortgage loans to individuals	23 054		23 054	10 899	11 920	235
Other loans	11 536	0	11 536	192	11 303	41
Loans to non-financial institutions and other customers, total	785 641	0	785 641	231 448	518 551	35 642
Less: specific provisions	11 422	0	11 422	2 584	8 656	182
Loans to non-financial institutions and other customers, net	774 219	0	774 219	228 864	509 895	35 460
Memo: purchased loans						
related parties	0					
unrelated parties	0					
Assets for resale	0		0	0	0	0
Other assets						
Hedging derivatives	0	0	0	0	0	0
Other assets	6 299	443	5 856	2 619	2 778	459
Other assets, total	6 299	443	5 856	2 619	2 778	459
Intangible assets	4 784		4 784	4 784	0	0
Premises and other fixed assets	6 479		6 479	6 479	0	0
Assets, total	1 829 959	606 715	1 223 244	484 647	581 084	157 513

(continued)

(continued)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
LIABILITIES, RESERVES, AND FINANCIAL RESULT						
Deposits of financial institutions	639 771	508 521	131 250	48 471	46 165	36 614
Demand deposits of banks	3 268	2 029	1 239	1 210	1	28
Time deposits of banks	606 095	505 214	100 881	26 289	39 121	35 471
Deposits of other financial institutions	30 408	1 278	29 130	20 972	7 043	1 115
Deposits of non-financial institutions and other customers	1 076 832	0	1 076 832	441 920	536 613	98 299
Demand deposits	742 219	0	742 219	263 832	441 705	36 682
Time deposits	303 475	0	303 475	173 973	74 902	54 600
Savings deposits	31 138	0	31 138	4 115	20 006	7 017
Deposits, total	1 716 603	508 521	1 208 082	490 391	582 778	134 913
Borrowings under repurchase agreements	4 040	0	4 040	4 040	0	0
Short-term borrowings	0	0	0	0	0	0
From the BNB	0	0	0	0	0	0
From banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
Long-term borrowings	41	41	0	0	0	0
Memo: borrowings from banks	41	41	0	0	0	0
Other liabilities	40 987	15 342	25 645	17 555	4 737	3 353
Trading portfolio liabilities	3 571	2 940	631	0	0	631
Hedging derivatives	0	0	0	0	0	0
Specific provisions on off-balance sheet commitments	0	0	0	0	0	0
Other liabilities	37 416	12 402	25 014	17 555	4 737	2 722
Liabilities, total	1 761 671	523 904	1 237 767	511 986	587 515	138 266
Reserves and financial result						
Reserves	49 214	49 214				
Retained profit/loss, previous years	23 715	23 715				
Other reserves	25 499	25 499				
Revaluation reserves	706	706				
Revaluation – fixed assets	219	219				
Revaluation – investments available for sale	487	487				
Revaluation – cash flow hedges	0	0				
Profit/loss, current year	18 368		18 368	18368		
One-off effect of the change in accounting regime	0	0				
Reserves and financial result, total	68 288	49 920	18 368	18368		
Liabilities, reserves, and financial result, total	1 829 959	573 824	1 256 135	530 354	587 515	138 266
Memo: credit substitutes and other off-balance sheet commitments	471 921	17 716	454 205	145 541	284 456	24 208

INCOME STATEMENT OF GROUP III BANKS (December 2004)

		(BGN'000)				
	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME						
Interest income from demand deposits with banks	595	197	398	393	5	0
Interest income from time deposits with banks	5 038	3 134	1 904	990	826	88
Interest income from loans to banks	0	0	0	0	0	0
Interest income from other claims on banks	32	31	1	1	0	0
Interest income from loans to other financial institutions	5 343	5 310	33	16	17	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	2 210	0	2 210	2 070	110	30
Interest income from investment portfolio	2 403	0	2 403	558	1 570	275
Bulgarian government securities	972		972	558	414	0
Other domestic debt securities	0	0	0	0	0	0
External debt securities issued by foreign governments and international financial institutions	1 431		1 431	0	1 156	275
Other external debt securities	0	0	0	0	0	0
Interest income from loans	39 079	0	39 079	13 585	22 624	2 870
Loans to budget	0		0	0	0	0
Commercial real estate and construction loans	10 227		10 227	963	8 450	814
Other commercial loans	25 942		25 942	10 959	13 166	1 817
Agricultural loans	632		632	418	98	116
Consumer loans	638		638	503	105	30
Housing mortgage loans to individuals	1 133		1 133	733	307	93
Other loans	507	0	507	9	498	0
Dividend income	0	0	0	0	0	0
Interest and dividend income, total	54 700	8 672	46 028	17 613	25 152	3 263
INTEREST EXPENDITURE						
Interest expenditure on deposits of banks	9 992	6 011	3 981	1 103	1 857	1 021
Interest expenditure on deposits of other financial institutions	394	41	353	167	129	57
Interest expenditure on demand deposits of non-finacial institutions and other customers	2 609	0	2 609	898	1 534	177
Interest expenditure on time deposits of non-finacial institutions and other customers	3 501	0	3 501	1 202	1 711	588
Interest expenditure on savings deposits of non-finacial institutions and other customers	246	0	246	28	150	68
Interest expenditure on borrowings under repurchase agreements	37	0	37	37	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	7	6	1	1	0	0
Interest expenditure, total	16 786	6 058	10 728	3 436	5 381	1 911
INTEREST AND DIVIDEND INCOME, NET	37 914	2614	35 300	14 177	19 771	1 352
CREDIT PROVISIONS						
Accrued provisions	8 814	0	8 814			
Reintegrated provisions	8 040	0	8 040			
Credit provisions, net	774	0	774			

(continued)

(continued)		(BGN'000)			
	Total	Related parties	Unrelated parties		
			Total	BGN	EUR Other currencies
TRADING PORTFOLIO GAIN/LOSS					
Gain/loss on trading portfolio securities	732	0	732		
Gain/loss on derivatives held for trading	-263	-118	-145		
Gain/loss on other instruments in trading portfolio	0	0	0		
Total trading portfolio gain/loss	469	-118	587		
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-88	0	-88		
Gain/loss on investments available for sale	-88	0	-88		
Gain/loss on instruments effectively hedging investments available for sale	0	0	0		
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0		
OTHER NON-INTEREST INCOME	19 056	572	18 484		
Loan servicing income	2 334	118	2 216		
Fee income on off-balance sheet accounts	1 373	2	1 371		
Service charges on deposits	2 828	1	2 827		
Other fees and commissions	6 174	62	6 112		
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	4 884	389	4 495		
Other non-interest income	1 463	0	1 463		
NON-INTEREST EXPENDITURE	34 148	3 990	30 158		
Salary, social security, and pension expenditure	10 045		10 045		
Occupancy expenditure, net	4 382		4 382		
External service expenditure	14 072	3 989	10 083		
Other non-interest expenditure	5 649	1	5 648		
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	22 429	-922	23 351		
FOREX REVALUATION GAIN/LOSS	463	42	421		
EXTRAORDINARY GAIN/LOSS	-104	0	-104		
TAX	4 420		4 420		
PROFIT/LOSS, NET	18 368	-880	19 248		

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

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

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

Tokuda Bank	159
UNIBANK (former First East International Bank)	162
Unionbank	165
United Bulgarian Bank	168
WestEast Bank	171

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	48 066	30 236	3 034	14 796
Claims on financial institutions, net	42 067	11 843	19 453	10 771
Claims under repurchase agreements	46 187	1 069	32 460	12 658
Trading portfolio	72 340	49 722	17 588	5 030
Investment portfolio	41 069	14 955	16 248	9 866
Loans to non-financial institutions and other customers, net	162 221	97 336	53 965	10 920
Loans to budget	471	471	0	0
Commercial loans	124 489	79 941	33 805	10 743
Commercial real estate and construction loans	46 491	27 682	11 901	6 908
Other commercial loans	77 998	52 259	21 904	3 835
Agricultural loans	7 090	6 952	138	0
Consumer loans	18 717	13 199	5 337	181
Housing mortgage loans to individuals	16 462	235	16 227	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	167 229	100 798	55 507	10 924
Less: specific provisions	5 008	3 462	1 542	4
Assets for resale	49	49	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 604	1 478	120	6
Intangible assets	1 550	1 550	0	0
Premises and other fixed assets	9 513	9 513	0	0
Assets, total	424 666	217 751	142 868	64 047
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	112 589	97 443	1 559	13 587
Demand deposits of banks	0	0	0	0
Time deposits of banks	13 506	10 716	0	2 790
Deposits of other financial institutions	99 083	86 727	1 559	10 797
Deposits of non-financial institutions and other customers	206 330	99 165	57 874	49 291
Demand deposits	80 483	57 708	16 157	6 618
Time deposits	103 823	35 756	29 793	38 274
Savings deposits	22 024	5 701	11 924	4 399
Deposits, total	318 919	196 608	59 433	62 878
Borrowings under repurchase agreements	22 784	3 556	19 228	0
Short-term borrowings	359	0	0	359
Long-term borrowings	49 894	3 575	46 319	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	3 312	1 609	1 238	465
Liabilities, total	395 268	205 348	126 218	63 702
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	29 398	29 398		
Shareholder capital	14 000	14 000		
Reserves	10 217	10 217		
Profit/loss, current year	5 181	5 181		
Liabilities, minority interest, and capital, total	424 666	234 746	126 218	63 702
Memo: credit substitutes and other off-balance sheet commitments	52 608	31 200	17 148	4 260

* Former Bulgaria-Invest Commercial Bank.


INCOME STATEMENT
(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	24 122	14 735	6 966	2 421
Interest income from claims on financial institutions	1 550	531	683	336
Interest income from claims under repurchase agreements	134	27	99	8
Interest income from trading portfolio	2 828	2 060	616	152
Interest income from investment portfolio	2 350	631	994	725
Interest income from loans	17 168	11 394	4 574	1 200
Dividend income	92	92	0	0
INTEREST EXPENDITURE	10 900	6 727	2 731	1 442
Interest expenditure on deposits of financial institutions	5 697	4 999	404	294
Interest expenditure on deposits of non-financial institutions and other customers	3 398	1 500	760	1 138
Interest expenditure on borrowings under repurchase agreements	258	228	30	0
Interest expenditure on borrowings	1 547	0	1 537	10
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	13 222	8 008	4 235	979
CREDIT PROVISIONS				
Accrued provisions	3 656			
Reintegrated provisions	2 234			
Credit provisions, net	1 422			
TRADING PORTFOLIO GAIN/LOSS	2 812			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	34			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-160			
OTHER NON-INTEREST INCOME	4 708			
NON-INTEREST EXPENDITURE	13 647			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	5 547			
FOREX REVALUATION GAIN/LOSS	628			
EXTRAORDINARY GAIN/LOSS	0			
TAX	994			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	5 181			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 345 of 3 June 1997 of the BNB Governing Council. License updated by Order No. 100-00515 of 22 November 1999 and amended by Order No. RD 22-0446 of 27 October 2000, Order No. RD 22-0469 of 20 June 2002
Legal registration	Company file No. 12684 of 1997, vol. 487, p. 202, lot No. 44383
Address of the head office	79 Knyaginya Maria-Luiza Blvd., Sofia 1000 tel. 02/988 54 88; 921 54 04 Website: www.allianz.bg
Management	
Supervisory Board	Oleg Nikolov Nedialkov – Chairman
	Sofia Kamenova Hristova – Deputy Chairman
	Emil Dimitrov Gavrilov – Deputy Chairman
	Maxim Stanev Sirakov
	Temenouga Nenova Matrakchieva
Management Board	Radka Stefanova Rasina
	Dimitar Georgiev Zhelev – Chairman
	Dimitar Ivanov Kostov – Deputy Chairman
	Strahil Nikolov Vidinov – Deputy Chairman
	Svetlozar Georgiev Karaneshev
Shareholders (shares over 10%)	Hristo Borisov Babev
	Allianz Bulgaria Holding Ltd. – 79.46%



ALPHA BANK, SOFIA BRANCH

72

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Related parties	(BGN 000)			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	15 202	0	15 202	9 806	1 005	4 391
Claims on financial institutions, net	9 322	0	9 322	6 500	2 783	39
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	0	0	0	0	0	0
Loans to non-financial institutions and other customers, net	106 564	0	106 564	14 536	82 183	9 845
Loans to budget	0	0	0	0	0	0
Commercial loans	94 686	0	94 686	14 386	70 484	9 816
Commercial real estate and construction loans	43 128	0	43 128	998	32 948	9 182
Other commercial loans	51 558	0	51 558	13 388	37 536	634
Agricultural loans	0	0	0	0	0	0
Consumer loans	37	0	37	4	33	0
Housing mortgage loans to individuals	538	0	538	146	363	29
Other loans	11 303	0	11 303	0	11 303	0
Loans to non-financial institutions and other customers, total	106 564	0	106 564	14 536	82 183	9 845
Less: specific provisions	0	0	0	0	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	856	443	413	280	24	109
Intangible assets	15	0	15	15	0	0
Premises and other fixed assets	2 337	0	2 337	2 337	0	0
Assets, total	134 296	443	133 853	33 474	85 995	14 384
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	84 582	52 617	31 965	12 362	19 456	147
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	67 288	52 617	14 671	0	14 671	0
Deposits of other financial institutions	17 294	0	17 294	12 362	4 785	147
Deposits of non-financial institutions and other customers	43 838	0	43 838	15 851	22 091	5 896
Demand deposits	20 131	0	20 131	7 160	12 035	936
Time deposits	16 049	0	16 049	7 754	5 492	2 803
Savings deposits	7 658	0	7 658	937	4 564	2 157
Deposits, total	128 420	52 617	75 803	28 213	41 547	6 043
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	798	472	326	287	0	39
Liabilities, total	129 218	53 089	76 129	28 500	41 547	6 082
Reserves and financial result, total	5 078	3 454	1 624	1 624		
Reserves	3 454	3 454	0	0		
Profit/loss, current year	1 624	0	1 624	1 624		
Liabilities, reserves, and financial result, total	134 296	56 543	77 753	30 124	41 547	6 082
Memo: credit substitutes and other off-balance sheet commitments	78 243	0	78 243	9 919	66 802	1 522



ALPHA BANK, SOFIA BRANCH

73

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 973	79	4 894	888	3863	143
Interest income from claims on financial institutions	189	79	110	104	6	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	4 784	0	4 784	784	3857	143
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	1 827	760	1 067	369	659	39
Interest expenditure on deposits of financial institutions	1 320	760	560	26	524	10
Interest expenditure on deposits of non-financial institutions and other customers	507	0	507	343	135	29
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	3 146	-681	3 827	519	3204	104
CREDIT PROVISIONS						
Accrued provisions	3	0	3			
Reintegrated provisions	16	0	16			
Credit provisions, net	-13	0	-13			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	1 002	0	1 002			
NON-INTEREST EXPENDITURE	2 135	0	2 135			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 026	-681	2 707			
FOREX REVALUATION GAIN/LOSS	62	0	62			
EXTRAORDINARY GAIN/LOSS	-71	0	-71			
TAX	393	0	393			
PROFIT/LOSS, NET	1 624	-681	2 305			



ALPHA BANK, SOFIA BRANCH

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

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

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	25 521	24 052	452	1 017
Claims on financial institutions, net	53 054	397	23 836	28 821
Claims under repurchase agreements	0	0	0	0
Trading portfolio	2 111	1 406	131	574
Investment portfolio	9 110	9 110	0	0
Loans to non-financial institutions and other customers, net	157 814	27 602	112 999	17 213
Loans to budget	0	0	0	0
Commercial loans	158 922	27 759	114 310	16 853
Commercial real estate and construction loans	40 462	0	40 462	0
Other commercial loans	118 460	27 759	73 848	16 853
Agricultural loans	0	0	0	0
Consumer loans	243	231	3	9
Housing mortgage loans to individuals	388	388	0	0
Other loans	460	0	0	460
Loans to non-financial institutions and other customers, total	160 013	28 378	114 313	17 322
Less: specific provisions	2 199	776	1 314	109
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	108	107	0	1
Intangible assets	90	90	0	0
Premises and other fixed assets	15 126	15 126	0	0
Assets, total	262 934	77 890	137 418	47 626
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	71 266	40 731	19 332	11 203
Demand deposits of banks	4 577	82	3 323	1 172
Time deposits of banks	61 759	37 012	15 898	8 849
Deposits of other financial institutions	4 930	3 637	111	1 182
Deposits of non-financial institutions and other customers	136 820	58 845	40 709	37 266
Demand deposits	102 963	49 884	30 511	22 568
Time deposits	33 857	8 961	10 198	14 698
Savings deposits	0	0	0	0
Deposits, total	208 086	99 576	60 041	48 469
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	4 755	4 148	415	192
Liabilities, total	212 841	103 724	60 456	48 661
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	50 093	50 093		
Shareholder capital	36 000	36 000		
Reserves	11 719	11 719		
Profit/loss, current year	2 374	2 374		
Liabilities, minority interest, and capital, total	262 934	153 817	60 456	48 661
Memo: credit substitutes and other off-balance sheet commitments	188 705	79 158	85 192	24 355

INCOME STATEMENT
 (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	10 221	2 333	6 225	1 663
Interest income from claims on financial institutions	1 024	154	625	245
Interest income from claims under repurchase agreements	1	0	1	0
Interest income from trading portfolio	279	32	183	64
Interest income from investment portfolio	89	89	0	0
Interest income from loans	8 828	2 058	5 416	1 354
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 991	955	679	357
Interest expenditure on deposits of financial institutions	879	332	312	235
Interest expenditure on deposits of non-financial institutions and other customers	851	575	217	59
Interest expenditure on borrowings under repurchase agreements	3	1	2	0
Interest expenditure on borrowings	131	0	131	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	127	47	17	63
INTEREST AND DIVIDEND INCOME, NET	8 230	1 378	5 546	1 306
CREDIT PROVISIONS				
Accrued provisions	2 256			
Reintegrated provisions	1 452			
Credit provisions, net	804			
TRADING PORTFOLIO GAIN/LOSS	109			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	11			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	5 510			
NON-INTEREST EXPENDITURE	10 041			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 015			
FOREX REVALUATION GAIN/LOSS	16			
EXTRAORDINARY GAIN/LOSS	0			
TAX	657			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 374			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	No. 349 of 14 November 1994 by Resolution of the BNB Governing Council accompanied by Letter No. 440-01046 of 25 November 1994 and Order No. 100-00496 of 18 November 1999 of the BNB Governor for license update
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Legal registration	Company file No. 22740 of 1994, lot No. 21406, vol. 259, p. 142
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Address of the head office	2 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/921 86 40; 921 86 50 Website: www.bnparibas-bg.com
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Management

Supervisory Board	Matthieu Lacaze Gilles Franck Arnaud Denis Jean-Sebastien Tellier
Management Board	Ullrich-Günther Schubert – Chief Executive Director Ivailo Lyubomirov Lyubomirov – Executive Director Loic Prime – Executive Director Blagoi Vankov Bochev – Executive Director

Shareholders
 (shares over 10%)

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

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	291 582	122 051	151 370	18 161
Claims on financial institutions, net	738 673	46	460 888	277 739
Claims under repurchase agreements	0	0	0	0
Trading portfolio	255 456	80 660	171 347	3 449
Investment portfolio	829 930	328 812	224 391	276 727
Loans to non-financial institutions and other customers, net	1 310 707	558 790	671 308	80 609
Loans to budget	1 473	1 473	0	0
Commercial loans	1 155 919	415 310	657 820	82 789
Commercial real estate and construction loans	204 690	45 527	153 388	5 775
Other commercial loans	951 229	369 783	504 432	77 014
Agricultural loans	20 254	17 132	1 324	1 798
Consumer loans	67 062	62 364	3 025	1 673
Housing mortgage loans to individuals	108 032	90 961	17 071	0
Other loans	1 386	152	45	1 189
Loans to non-financial institutions and other customers, total	1 354 126	587 392	679 285	87 449
Less: specific provisions	43 419	28 602	7 977	6 840
Assets for resale	34	34	0	0
Investments in unconsolidated subsidiaries and associated companies	6446	6446	0	0
Other assets, net	2 253	2 142	62	49
Intangible assets	57 718	57 718	0	0
Premises and other fixed assets	108 499	108 499	0	0
Assets, total	3 601 298	1 265 198	1 679 366	656 734
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	126 646	12 974	102 160	11 512
Demand deposits of banks	16 181	2 718	8 147	5 316
Time deposits of banks	4 774	0	0	4 774
Deposits of other financial institutions	105 691	10 256	94 013	1 422
Deposits of non-financial institutions and other customers	2 797 611	702 432	1 453 015	642 164
Demand deposits	1 516 580	507 949	815 370	193 261
Time deposits	1 275 320	193 786	635 136	446 398
Savings deposits	5 711	697	2 509	2 505
Deposits, total	2 924 257	715 406	1 555 175	653 676
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	98 408	33 075	15 505	49 828
Liabilities, total	3 022 665	748 481	1 570 680	703 504
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	578 633	578 633		
Shareholder capital	166 370	166 370		
Reserves	321 464	321 464		
Profit/loss, current year	90 799	90 799		
Liabilities, minority interest, and capital, total	3 601 298	1 327 114	1 570 680	703 504
Memo: credit substitutes and other off-balance sheet commitments	583 533	222 356	196 655	164 522

INCOME STATEMENT
 (December 2004)

	Total	(BGN'000)		
		Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	157 740	69 919	68 789	19 032
Interest income from claims on financial institutions	10 714	15	5 350	5 349
Interest income from claims under repurchase agreements	40	40	0	0
Interest income from trading portfolio	11 884	3 258	8 234	392
Interest income from investment portfolio	41 628	17 061	15 336	9 231
Interest income from loans	93 474	49 545	39 869	4 060
Dividend income	0	0	0	0
INTEREST EXPENDITURE	24 295	5 276	14 179	4 840
Interest expenditure on deposits of financial institutions	2 025	365	1 588	72
Interest expenditure on deposits of non-financial institutions and other customers	19 655	4 830	10 344	4 481
Interest expenditure on borrowings under repurchase agreements	81	81	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	2 534	0	2 247	287
INTEREST AND DIVIDEND INCOME, NET	133 445	64 643	54 610	14 192
CREDIT PROVISIONS				
Accrued provisions	19 688			
Reintegrated provisions	12 040			
Credit provisions, net	7 648			
TRADING PORTFOLIO GAIN/LOSS	2 470			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	184			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	5 766			
OTHER NON-INTEREST INCOME	54 464			
NON-INTEREST EXPENDITURE	77 442			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	111 239			
FOREX REVALUATION GAIN/LOSS	966			
EXTRAORDINARY GAIN/LOSS	0			
TAX	21 406			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	90 799			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

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



BULGARIAN-AMERICAN CREDIT BANK

81

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	15 860	3 781	7 917	4 162
Claims on financial institutions, net	44 302	1 258	23 784	19 260
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	11 758	1 048	6 764	3 946
Loans to non-financial institutions and other customers, net	231 461	1 562	198 029	31 870
Loans to budget	0	0	0	0
Commercial loans	228 010	1 687	201 539	24 784
Commercial real estate and construction loans	141 909	125	123 711	18 073
Other commercial loans	86 101	1 562	77 828	6 711
Agricultural loans	4 209	0	3 311	898
Consumer loans	281	0	281	0
Housing mortgage loans to individuals	10 939	0	6 843	4 096
Other loans	4 682	0	0	4 682
Loans to non-financial institutions and other customers, total	248 121	1 687	211 974	34 460
Less: specific provisions	16 660	125	13 945	2 590
Assets for resale	473	473	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 368	356	961	51
Intangible assets	194	194	0	0
Premises and other fixed assets	4 516	4 516	0	0
Assets, total	309 932	13 188	237 455	59 289
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	6 600	249	5 612	739
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	6 600	249	5 612	739
Deposits of non-financial institutions and other customers	43 335	7 244	19 859	16 232
Demand deposits	15 661	5 105	8 164	2 392
Time deposits	27 674	2 139	11 695	13 840
Savings deposits	0	0	0	0
Deposits, total	49 935	7 493	25 471	16 971
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	11 080	0	11 080	0
Long-term borrowings	168 465	0	146 144	22 321
Subordinated term debt and debt/equity (hybrid) instruments	14 359	0	0	14 359
Other liabilities	12 733	2 608	9 203	922
Liabilities, total	256 572	10 101	191 898	54 573
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	53 360	53 360		
Shareholder capital	12 746	12 746		
Reserves	26 807	26 807		
Profit/loss, current year	13 807	13 807		
Liabilities, minority interest, and capital, total	309 932	63 461	191 898	54 573
Memo: credit substitutes and other off-balance sheet commitments	28 249	1 218	26 059	972



BULGARIAN-AMERICAN CREDIT BANK

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	36 609	180	29 025	7 404
Interest income from claims on financial institutions	286	14	100	172
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	136	0	136	0
Interest income from investment portfolio	505	6	426	73
Interest income from loans	35 682	160	28 363	7 159
Dividend income	0	0	0	0
INTEREST EXPENDITURE	11 756	113	7 427	4 216
Interest expenditure on deposits of financial institutions	399	52	64	283
Interest expenditure on deposits of non-financial institutions and other customers	972	61	305	606
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	8 967	0	7 058	1 909
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 418	0	0	1 418
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	24 853	67	21 598	3 188
CREDIT PROVISIONS				
Accrued provisions	12 393			
Reintegrated provisions	5 094			
Credit provisions, net	7 299			
TRADING PORTFOLIO GAIN/LOSS	99			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	16			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	6 803			
NON-INTEREST EXPENDITURE	7 696			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	16 776			
FOREX REVALUATION GAIN/LOSS	-722			
EXTRAORDINARY GAIN/LOSS	0			
TAX	2 247			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	13 807			



BULGARIAN-AMERICAN CREDIT BANK



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

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



BULGARIAN POST BANK

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	117 696	64 940	12 213	40 543
Claims on financial institutions, net	86 162	28 796	26 450	30 916
Claims under repurchase agreements	27 323	21 377	4 094	1 852
Trading portfolio	73 552	26 306	22 263	24 983
Investment portfolio	83 108	10 552	61 161	11 395
Loans to non-financial institutions and other customers, net	735 516	361 212	341 477	32 827
Loans to budget	0	0	0	0
Commercial loans	545 577	249 006	265 463	31 108
Commercial real estate and construction loans	41 731	15 665	22 410	3 656
Other commercial loans	503 846	233 341	243 053	27 452
Agricultural loans	4 695	4 695	0	0
Consumer loans	93 345	92 577	659	109
Housing mortgage loans to individuals	56 481	25 530	30 131	820
Other loans	53 829	5 812	47 194	823
Loans to non-financial institutions and other customers, total	753 927	377 620	343 447	32 860
Less: specific provisions	18 411	16 408	1 970	33
Assets for resale	904	904	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	14 782	5 735	7 333	1 714
Intangible assets	7 434	7 434	0	0
Premises and other fixed assets	21 254	21 254	0	0
Assets, total	1 167 731	548 510	474 991	144 230
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	147 532	53 786	74 993	18 753
Demand deposits of banks	4 411	1 874	2 334	203
Time deposits of banks	124 207	38 413	70 269	15 525
Deposits of other financial institutions	18 914	13 499	2 390	3 025
Deposits of non-financial institutions and other customers	716 498	383 218	181 481	151 799
Demand deposits	219 867	163 647	35 058	21 162
Time deposits	308 952	142 911	89 265	76 776
Savings deposits	187 679	76 660	57 158	53 861
Deposits, total	864 030	437 004	256 474	170 552
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	181 080	12 090	168 990	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	22 279	10 193	10 433	1 653
Liabilities, total	1 067 389	459 287	435 897	172 205
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	100 342	100 342		
Shareholder capital	51 250	51 250		
Reserves	32 026	32 026		
Profit/loss, current year	17 066	17 066		
Liabilities, minority interest, and capital, total	1 167 731	559 629	435 897	172 205
Memo: credit substitutes and other off-balance sheet commitments	111 186	62 616	44 456	4 114

INCOME STATEMENT
(December 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	62 936	34 843	23 486	4 607
Interest income from claims on financial institutions	2 416	814	637	965
Interest income from claims under repurchase agreements	855	684	135	36
Interest income from trading portfolio	2 751	1 329	959	463
Interest income from investment portfolio	4 742	701	3 492	549
Interest income from loans	52 172	31 315	18 263	2 594
Dividend income	0	0	0	0
INTEREST EXPENDITURE	18 202	7 882	8 223	2 097
Interest expenditure on deposits of financial institutions	3 849	919	2 108	822
Interest expenditure on deposits of non-financial institutions and other customers	9 163	5 825	2 079	1 259
Interest expenditure on borrowings under repurchase agreements	317	230	75	12
Interest expenditure on borrowings	4 867	907	3 960	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	6	1	1	4
INTEREST AND DIVIDEND INCOME, NET	44 734	26 961	15 263	2 510
CREDIT PROVISIONS				
Accrued provisions	7 615			
Reintegrated provisions	8 073			
Credit provisions, net	-458			
TRADING PORTFOLIO GAIN/LOSS	1 302			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	867			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	21 749			
NON-INTEREST EXPENDITURE	50 420			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	18 690			
FOREX REVALUATION GAIN/LOSS	2 577			
EXTRAORDINARY GAIN/LOSS	-4			
TAX	4 197			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	17 066			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 21 of 14 March 1991 and No.104 of 31 March 1992 of the BNB Governing Council; updated by Order No. 100-00488 of 17 November 1999
Legal registration	Entered by Resolution of the Sofia City Court on company file No. 10646 of 1991, lot No. 14, vol. 4, p. 91
Address of the head office	14 Tsar Osvoboditel Blvd., Sofia 1048 tel. 02/816 60 00 Website: www.postbank.bg
Management	
Supervisory Board	
	George Gondicas – Deputy Chairman
	David Watson
	Andrew Stone
Management Board	
	Antonios C. Hassiotis – Chief Executive Director
	Theodore Karakassis – Executive Director
	Athanassios Dionissios Petropoulos – Executive Director
	Asen Vasilev Yagodin – Executive Director
Shareholders (shares over 10%)	
	ALIKO/CEN Balkan Holdings Limited – 96.74%



CENTRAL COOPERATIVE BANK

87

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	62 118	35 122	9 932	17 064
Claims on financial institutions, net	165 164	16 305	97 355	51 504
Claims under repurchase agreements	13 345	11 389	1 956	0
Trading portfolio	5 953	5 953	0	0
Investment portfolio	27 170	26 521	649	0
Loans to non-financial institutions and other customers, net	240 021	165 838	52 441	21 742
Loans to budget	75	75	0	0
Commercial loans	188 978	118 626	48 579	21 773
Commercial real estate and construction loans	28 017	16 525	11 492	0
Other commercial loans	160 961	102 101	37 087	21 773
Agricultural loans	17 122	14 577	2 545	0
Consumer loans	31 544	31 445	84	15
Housing mortgage loans to individuals	2 848	1 565	1 188	95
Other loans	1 628	1 355	178	95
Loans to non-financial institutions and other customers, total	242 195	167 643	52 574	21 978
Less: specific provisions	2 174	1 805	133	236
Assets for resale	932	932	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	27 650	19 952	380	7 318
Intangible assets	2 485	2 485	0	0
Premises and other fixed assets	20 489	20 489	0	0
Assets, total	565 327	304 986	162 713	97 628
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	54 023	12 316	12 485	29 222
Demand deposits of banks	102	23	79	0
Time deposits of banks	45 700	5 007	11 736	28 957
Deposits of other financial institutions	8 221	7 286	670	265
Deposits of non-financial institutions and other customers	402 529	229 674	115 530	57 325
Demand deposits	128 143	109 757	10 296	8 090
Time deposits	248 787	106 384	98 302	44 101
Savings deposits	25 599	13 533	6 932	5 134
Deposits, total	456 552	241 990	128 015	86 547
Borrowings under repurchase agreements	9 568	9 568	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	9 317	9 317	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	31 005	18 320	5 202	7 483
Liabilities, total	506 442	279 195	133 217	94 030
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	58 885	58 885		
Shareholder capital	32 338	32 338		
Reserves	20 431	20 431		
Profit/loss, current year	6 116	6 116		
Liabilities, minority interest, and capital, total	565 327	338 080	133 217	94 030
Memo: credit substitutes and other off-balance sheet commitments	53 658	38 254	8 781	6 623



CENTRAL COOPERATIVE BANK

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	30 142	20 178	6 554	3 410
Interest income from claims on financial institutions	2 070	263	1 324	483
Interest income from claims under repurchase agreements	150	112	38	0
Interest income from trading portfolio	1 273	1 077	191	5
Interest income from investment portfolio	667	649	18	0
Interest income from loans	25 395	17 490	4 983	2 922
Dividend income	587	587	0	0
INTEREST EXPENDITURE	11 592	5 217	4 113	2 262
Interest expenditure on deposits of financial institutions	664	319	309	36
Interest expenditure on deposits of non-financial institutions and other customers	8 629	3 515	3 671	1 443
Interest expenditure on borrowings under repurchase agreements	760	760	0	0
Interest expenditure on borrowings	607	607	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	932	16	133	783
INTEREST AND DIVIDEND INCOME, NET	18 550	14 961	2 441	1 148
CREDIT PROVISIONS				
Accrued provisions	10 063			
Reintegrated provisions	10 219			
Credit provisions, net	-156			
TRADING PORTFOLIO GAIN/LOSS	766			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 699			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	15 398			
NON-INTEREST EXPENDITURE	29 651			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	6 918			
FOREX REVALUATION GAIN/LOSS	771			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 573			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	6 116			



CENTRAL COOPERATIVE BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 14 of 25 February 1991 of the BNB Governing Council. Updated by Order No. 100-00493 of the BNB Governor dated 17 November 1999
Legal registration	Resolution of the Sofia City Court of 28 March 1991 on company file No. 5227 of 1991, lot No. 334, vol. 4, p. 11
Address of the head office	103 Rakovski Str., Sofia 1000 tel. 02/926 62 66 Website: www.ccbank.bg

Management

Supervisory Board	Nikola Alexandrov Damyanov – Chairman Bozhidar Ivanov Grigorov Central Cooperative Union represented by Petar Ivanov Stefanov
Management Board	Alexander Asenov Vodenicharov – Chairman Georgi Dimitrov Konstantinov – Executive Director Borislav Yavorov Chilikov – Executive Director Lazar Petrov Iliev – Executive Director Victor Ivanov Mechkarov – Executive Director Alexander Dimitrov Kerezov Tsvetan Tsankov Botev Biser Yordanov Slavkov
Procurator	Tihomir Angelov Atanasov

Shareholders (shares over 10%)

Chimimport – 35.04%
CCB Group Assets Management EAD – 20.68%
Central Cooperative Union – 11.73%

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Related parties	(BGN 000)			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	50 173	0	50 173	38 852	374	10 947
Claims on financial institutions, net	144 341	73 253	71 088	70 730	263	95
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	2 920	242	2 678	0	2	2 676
Investment portfolio	56 707	0	56 707	42 550	14 157	0
Loans to non-financial institutions and other customers, net	103 331	0	103 331	49 915	53 376	40
Loans to budget	0	0	0	0	0	0
Commercial loans	108 112	0	108 112	49 493	58 619	0
Commercial real estate and construction loans	15 687	0	15 687	0	15 687	0
Other commercial loans	92 425	0	92 425	49 493	42 932	0
Agricultural loans	0	0	0	0	0	0
Consumer loans	124	0	124	124	0	0
Housing mortgage loans to individuals	619	0	619	619	0	0
Other loans	41	0	41	1	0	40
Loans to non-financial institutions and other customers, total	108 896	0	108 896	50 237	58 619	40
Less: specific provisions	5 565	0	5 565	322	5 243	0
Assets for resale	0	0	0	0	0	0
Other assets, net	277	0	277	136	61	80
Intangible assets	794	0	794	794	0	0
Premises and other fixed assets	593	0	593	593	0	0
Assets, total	359 136	73 495	285 641	203 570	68 233	13 838
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	3 827	65	3 762	896	1 992	874
Demand deposits of banks	65	65	0	0	0	0
Time deposits of banks	0	0	0	0	0	0
Deposits of other financial institutions	3 762	0	3 762	896	1 992	874
Deposits of non-financial institutions and other customers	348 331	0	348 331	208 509	119 700	20 122
Demand deposits	256 307	0	256 307	154 380	89 558	12 369
Time deposits	92 024	0	92 024	54 129	30 142	7 753
Savings deposits	0	0	0	0	0	0
Deposits, total	352 158	65	352 093	209 405	121 692	20 996
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	41	41	0	0	0	0
Other liabilities	6 233	4 073	2 160	882	381	897
Liabilities, total	358 432	4 179	354 253	210 287	122 073	21 893
Reserves and financial result, total	704	-1 874	2 578	2 578		
Reserves	-1 874	-1 874	0	0		
Profit/loss, current year	2 578	0	2 578	2 578		
Liabilities, reserves, and financial result, total	359 136	2 305	356 831	212 865	122 073	21 893
Memo: credit substitutes and other off-balance sheet commitments	103 933	15 121	88 812	56 851	22 906	9 055

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	7 391	1 856	5 535	3 034	2259	242
Interest income from claims on financial institutions	3 017	1 856	1 161	659	436	66
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	51	0	51	0	51	0
Interest income from investment portfolio	972	0	972	558	414	0
Interest income from loans	3 351	0	3 351	1 817	1358	176
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	2 646	54	2 592	806	1634	152
Interest expenditure on deposits of financial institutions	369	48	321	230	49	42
Interest expenditure on deposits of non-financial institutions and other customers	2 267	0	2 267	572	1 585	110
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	7	6	1	1	0	0
INTEREST AND DIVIDEND INCOME, NET	4 745	1 802	2 943	2 228	625	90
CREDIT PROVISIONS						
Accrued provisions	3 975	0	3 975			
Reintegrated provisions	4 404	0	4 404			
Credit provisions, net	-429	0	-429			
TRADING PORTFOLIO GAIN/LOSS	520	411	109			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-89	0	-89			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	4 931	1	4 930			
NON-INTEREST EXPENDITURE	6 825	1 070	5 755			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 711	1 144	2 567			
FOREX REVALUATION GAIN/LOSS	-449	0	-449			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	684	0	684			
PROFIT/LOSS, NET	2 578	1 144	1 434			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Order No. RD 22-319 of 22 June 2000 and Order No. RD 22-319 of 11 December 2000 amending Order No. RD 22-319 of 22 June 2000 which permitted Citibank N. A., Sofia Branch to conduct transactions under Article 1, para. 2, item 4 of the Law on Banks excluding purchases of shares and issuance of shares on its own account.
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Legal registration	Entered under No. 57 183, vol. 627, reg. I, p. 132 on company file No. 8611 of the Sofia City Court of 2000
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Address of the branch	2 Knyaginya Maria-Luiza Blvd., floor 5, Sofia 1000 tel. 02/917 51 00; 917 51 01; 917 51 02
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Management

Management Board	Amin Manekia – Country Corporate Officer Plamen Spasov Ilchev Silvana Vasileva Gruncharova Ani Petrova Filipova Borislava Stoyanova Zhhereva–Naimoushina Kiril Simeonov Georgiev
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Shareholders

(shares over 10%)

Branch of Citibank N. A., New York, the USA



CORPORATE COMMERCIAL BANK

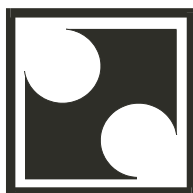
93

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	46 708	33 987	11 712	1 009
Claims on financial institutions, net	111 538	6 034	64 811	40 693
Claims under repurchase agreements	0	0	0	0
Trading portfolio	24 438	22 296	2 142	0
Investment portfolio	832	829	3	0
Loans to non-financial institutions and other customers, net	164 979	72 715	74 920	17 344
Loans to budget	0	0	0	0
Commercial loans	159 664	66 765	74 373	18 526
Commercial real estate and construction loans	48 014	21 132	25 302	1 580
Other commercial loans	111 650	45 633	49 071	16 946
Agricultural loans	3 661	3 661	0	0
Consumer loans	1 794	1 716	28	50
Housing mortgage loans to individuals	1 195	598	549	48
Other loans	768	643	125	0
Loans to non-financial institutions and other customers, total	167 082	73 383	75 075	18 624
Less: specific provisions	2 103	668	155	1 280
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	5	5	0	0
Other assets, net	555	435	117	3
Intangible assets	435	435	0	0
Premises and other fixed assets	10 008	10 008	0	0
Assets, total	359 498	146 744	153 705	59 049
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	23 234	9 029	6 601	7 604
Demand deposits of banks	1 160	28	120	1 012
Time deposits of banks	5 887	0	0	5 887
Deposits of other financial institutions	16 187	9 001	6 481	705
Deposits of non-financial institutions and other customers	306 954	151 091	104 662	51 201
Demand deposits	151 558	99 267	27 750	24 541
Time deposits	92 732	18 583	59 217	14 932
Savings deposits	62 664	33 241	17 695	11 728
Deposits, total	330 188	160 120	111 263	58 805
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	320	320	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	446	330	104	12
Liabilities, total	330 954	160 770	111 367	58 817
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	28 544	28 544		
Shareholder capital	20 000	20 000		
Reserves	4 293	4 293		
Profit/loss, current year	4 251	4 251		
Liabilities, minority interest, and capital, total	359 498	189 314	111 367	58 817
Memo: credit substitutes and other off-balance sheet commitments	71 749	29 903	39 546	2 300

Balance Sheets and Income Statements of Individual Commercial Banks



CORPORATE COMMERCIAL BANK

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	21 746	10 740	6 223	4 783
Interest income from claims on financial institutions	1 818	643	842	333
Interest income from claims under repurchase agreements	11	5	6	0
Interest income from trading portfolio	2 085	1 467	616	2
Interest income from investment portfolio	74	74	0	0
Interest income from loans	17 758	8 551	4 759	4 448
Dividend income	0	0	0	0
INTEREST EXPENDITURE	7 948	3 782	2 507	1 659
Interest expenditure on deposits of financial institutions	889	574	297	18
Interest expenditure on deposits of non-financial institutions and other customers	6 958	3 130	2 187	1 641
Interest expenditure on borrowings under repurchase agreements	66	43	23	0
Interest expenditure on borrowings	34	34	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	1	1	0	0
INTEREST AND DIVIDEND INCOME, NET	13 798	6 958	3 716	3 124
CREDIT PROVISIONS				
Accrued provisions	1 688			
Reintegrated provisions	1 011			
Credit provisions, net	677			
TRADING PORTFOLIO GAIN/LOSS	810			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	8			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	4 652			
NON-INTEREST EXPENDITURE	13 708			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	4 883			
FOREX REVALUATION GAIN/LOSS	415			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 047			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	4 251			



CORPORATE COMMERCIAL BANK

95

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 24 of 21 January 1994. Pursuant to the provisions of § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks, the license was updated by Order No. 100-00499 of the BNB Governor dated 18 November 1999
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Legal registration	Resolution of the Sofia City Court of 6 May 1994 on company file No. 3989 of 1994, lot No. 568, vol. 11, reg. II, p. 29. Changed by Resolution No. 8 of the Sofia City Court dated 19 June 2000.
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Address of the head office	10 Graf Ignatiev Str., Sofia 1000 tel. 02/980 93 62 Website: www.corpbank.bg
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Management

Supervisory Board	Tsvetan Radoev Vasilev – Chairman
	Nikolai Ivanov Velkov – Deputy Chairman
	Zlatozar Krustev Surlekov
	Yancho Panayotov Angelov*
	Biser Andonov Lazov

Management Board	Ilian Atanasov Zafirov – Executive Director
	Orlin Nikolov Rousev – Executive Director and Chairman of the Management Board
	Lyubomir Ivanov Vesov* – Executive Director

Shareholders (shares over 10%)

Bromak – 49.43% directly, and jointly with Victoria Insurance Company (indirectly) – 59.43%
James Vincent Hoey – 18.57%

* The changes were entered in the Commercial Register, Corporate Commercial Bank AD company, by Resolution No. 30 of 3 February 2005 of the Sofia City Court.



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	(BGN,000)		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	5 747	3 458	1 466	823
Claims on financial institutions, net	3 670	0	842	2 828
Claims under repurchase agreements	0	0	0	0
Trading portfolio	14 748	8 315	6 433	0
Investment portfolio	4	4	0	0
Loans to non-financial institutions and other customers, net	27 214	7 406	12 505	7 303
Loans to budget	0	0	0	0
Commercial loans	26 370	7 030	12 080	7 260
Commercial real estate and construction loans	5 145	947	3 659	539
Other commercial loans	21 225	6 083	8 421	6 721
Agricultural loans	0	0	0	0
Consumer loans	1 143	471	497	175
Housing mortgage loans to individuals	0	0	0	0
Other loans	59	0	59	0
Loans to non-financial institutions and other customers, total	27 572	7 501	12 636	7 435
Less: specific provisions	358	95	131	132
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	77	68	3	6
Intangible assets	121	121	0	0
Premises and other fixed assets	1 321	1 321	0	0
Assets, total	52 902	20 693	21 249	10 960
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	11 912	1 253	5 698	4 961
Demand deposits of banks	73	0	1	72
Time deposits of banks	10 261	0	5 379	4 882
Deposits of other financial institutions	1 578	1 253	318	7
Deposits of non-financial institutions and other customers	20 815	7 453	6 871	6 491
Demand deposits	10 224	4 964	2 323	2 937
Time deposits	9 155	1 942	4 101	3 112
Savings deposits	1 436	547	447	442
Deposits, total	32 727	8 706	12 569	11 452
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	1 734	118	1 394	222
Liabilities, total	34 461	8 824	13 963	11 674
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	18 441	18 441		
Shareholder capital	20 000	20 000		
Reserves	-2 111	-2 111		
Profit/loss, current year	552	552		
Liabilities, minority interest, and capital, total	52 902	27 265	13 963	11 674
Memo: credit substitutes and other off-balance sheet commitments	9 178	3 097	4 931	1 150



INCOME STATEMENT
(December 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	3 353	919	1 700	734
Interest income from claims on financial institutions	428	8	200	220
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	905	385	520	0
Interest income from investment portfolio	93	0	93	0
Interest income from loans	1 927	526	887	514
Dividend income	0	0	0	0
INTEREST EXPENDITURE	589	146	296	147
Interest expenditure on deposits of financial institutions	285	90	126	69
Interest expenditure on deposits of non-financial institutions and other customers	304	56	170	78
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 764	773	1 404	587
CREDIT PROVISIONS				
Accrued provisions	596			
Reintegrated provisions	1 012			
Credit provisions, net	-416			
TRADING PORTFOLIO GAIN/LOSS	749			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	91			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	1 467			
NON-INTEREST EXPENDITURE	4 867			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	620			
FOREX REVALUATION GAIN/LOSS	28			
EXTRAORDINARY GAIN/LOSS	-96			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	552			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	No. 100-000101 of 12 March 1999
Legal registration	Resolution No. 1 of the Sofia City Court dated 15 April 1999, company file No. 3936 of 1999
Address of the head office	8 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/989 44 44 Website: www.demirbank.bg
Management	
Supervisory Board	Tayfun Bayazit – Chairman
	Huseyin Faik Acikalin
	Ismail Hasan Akchakayaluoglu
	Imre Barmanbek
	Mevlyut Tyufan Darbaz
Management Board	Muammer Akşit Ozkural – Chief Executive Director
	Rafi Karagiol – Executive Director
	Sinan Kircali – Executive Director
	Ognyan Yordanov – Executive Director
Shareholders (shares over 10%)	
Isil Dogan, Permit No. 22-700 of 18 December 2001 – 50%	
Halit Djangalluoglu, Permit No. 22-701 of 18 December 2001 – 40%	

* A change in the Bank's name to D Commerce Bank is expected. The bank has received a permission for this change by Order No. RD 22-2041 of 14 December 2004 of the BNB Deputy Governor heading the Banking Supervision Department.



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	343 187	289 991	15 757	37 439
Claims on financial institutions, net	147 352	7 006	23 731	116 615
Claims under repurchase agreements	2 816	2 816	0	0
Trading portfolio	84 342	36 646	27 427	20 269
Investment portfolio	353 595	169 334	138 314	45 947
Loans to non-financial institutions and other customers, net	2 131 554	1 878 473	238 894	14 187
Loans to budget	1 447	1 447	0	0
Commercial loans	490 671	276 896	201 389	12 386
Commercial real estate and construction loans	56 812	21 794	34 863	155
Other commercial loans	433 859	255 102	166 526	12 231
Agricultural loans	5 238	4 587	651	0
Consumer loans	1 300 905	1 297 596	3 199	110
Housing mortgage loans to individuals	380 399	340 934	37 721	1 744
Other loans	2 316	2 281	11	24
Loans to non-financial institutions and other customers, total	2 180 976	1 923 741	242 971	14 264
Less: specific provisions	49 422	45 268	4 077	77
Assets for resale	167	167	0	0
Investments in unconsolidated subsidiaries and associated companies	16384	16384	0	0
Other assets, net	44 391	8 841	18 102	17 448
Intangible assets	3 978	3 978	0	0
Premises and other fixed assets	127 511	127 511	0	0
Assets, total	3 255 277	2 541 147	462 225	251 905
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	62 854	33 324	157	29 373
Demand deposits of banks	108	108	0	0
Time deposits of banks	36 929	7 568	0	29 361
Deposits of other financial institutions	25 817	25 648	157	12
Deposits of non-financial institutions and other customers	2 621 856	2 034 420	383 690	203 746
Demand deposits	438 126	414 642	19 326	4 158
Time deposits	1 382 147	959 380	266 286	156 481
Savings deposits	801 583	660 398	98 078	43 107
Deposits, total	2 684 710	2 067 744	383 847	233 119
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	97 792	0	97 792	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	89 758	54 016	19 135	16 607
Liabilities, total	2 872 260	2 121 760	500 774	249 726
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	383 017	383 017		
Shareholder capital	93 984	93 984		
Reserves	218 066	218 066		
Profit/loss, current year	70 967	70 967		
Liabilities, minority interest, and capital, total	3 255 277	2 504 777	500 774	249 726
Memo: credit substitutes and other off-balance sheet commitments	180 598	63 661	115 712	1 225



INCOME STATEMENT
(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	249 302	220 727	23 466	5 109
Interest income from claims on financial institutions	3 792	247	1 750	1 795
Interest income from claims under repurchase agreements	57	57	0	0
Interest income from trading portfolio	4 793	2 606	1 720	467
Interest income from investment portfolio	22 267	10 925	9 145	2 197
Interest income from loans	218 393	206 892	10 851	650
Dividend income	0	0	0	0
INTEREST EXPENDITURE	47 585	40 987	4 554	2 044
Interest expenditure on deposits of financial institutions	1 119	806	221	92
Interest expenditure on deposits of non-financial institutions and other customers	46 402	40 120	4 330	1 952
Interest expenditure on borrowings under repurchase agreements	64	61	3	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	201 717	179 740	18 912	3 065
CREDIT PROVISIONS				
Accrued provisions	38 869			
Reintegrated provisions	24 376			
Credit provisions, net	14 493			
TRADING PORTFOLIO GAIN/LOSS	1 313			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 409			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	970			
OTHER NON-INTEREST INCOME	38 798			
NON-INTEREST EXPENDITURE	142 818			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	86 896			
FOREX REVALUATION GAIN/LOSS	1 508			
EXTRAORDINARY GAIN/LOSS	0			
TAX	17 437			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	70 967			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	State Savings Bank (SSB) was transformed into a commercial bank according to Ordinance No. 59 of 25 November 1998 of the Council of Ministers pursuant to the Law on Transformation of the SSB (Darjaven Vestnik, issue 28 of 1998). Order RD 22-0882 of the BNB Governor dated 26 September 2002 for DSK Bank's license. By Resolution No. 10 of 8 January 2003 the Sofia City Court entered the change in the name of DSK Bank reflecting its legal status: sole equity proprietorship company, named DSK Bank EAD.
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Legal registration	Resolution No. 1 of the Sofia City Court of 26 January 1999, company file No. 756 of 1999, lot No. 875, vol. 16, reg. II, p. 22
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Address of the head office	19 Moskovska Str., Sofia 1036 tel. 02/9391 220 Website: www.dskbank.bg
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Management

Supervisory Board	Sándor Csányi – Chairman
	Zoltán Spéder – Deputy Chairman
	László Wolf – Deputy Chairman
	Gyula Pap
Management Board	Violina Marinova Spasova – Chairman, Chief Executive Director
	Diana Decheva Miteva – Executive Director
	Georgi Dinev Zhelev – Executive Director
	Miroslav Stanimirov Vichev – Procurator
	Kalin Nikolov Klisarov – Procurator

Shareholders
(shares over 10%)

OTP Bank RT, Budapest – 100% *

* Letter No. 1734-0058 of 17 January 2005 sent by DSK Bank.



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	198 857	153 229	4 511	41 117
Claims on financial institutions, net	137 856	2 929	35 300	99 627
Claims under repurchase agreements	0	0	0	0
Trading portfolio	80 218	70 982	5 642	3 594
Investment portfolio	10 542	4 461	6 081	0
Loans to non-financial institutions and other customers, net	261 943	148 278	58 832	54 833
Loans to budget	6 962	6 962	0	0
Commercial loans	203 336	104 286	52 322	46 728
Commercial real estate and construction loans	71 561	38 819	13 108	19 634
Other commercial loans	131 775	65 467	39 214	27 094
Agricultural loans	2 721	2 644	77	0
Consumer loans	16 414	16 063	327	24
Housing mortgage loans to individuals	23 834	18 369	4 042	1 423
Other loans	13 131	943	3 911	8 277
Loans to non-financial institutions and other customers, total	266 398	149 267	60 679	56 452
Less: specific provisions	4 455	989	1 847	1 619
Assets for resale	375	375	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	17 972	15 436	274	2 262
Intangible assets	1 650	1 650	0	0
Premises and other fixed assets	15 811	15 811	0	0
Assets, total	725 224	413 151	110 640	201 433
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	51 919	33 646	2 037	16 236
Demand deposits of banks	2 029	2 029	0	0
Time deposits of banks	14 920	0	1 956	12 964
Deposits of other financial institutions	34 970	31 617	81	3 272
Deposits of non-financial institutions and other customers	614 545	230 278	205 231	179 036
Demand deposits	246 713	150 758	81 802	14 153
Time deposits	341 487	65 350	115 698	160 439
Savings deposits	26 345	14 170	7 731	4 444
Deposits, total	666 464	263 924	207 268	195 272
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	3 000	3 000	0	0
Other liabilities	11 218	10 021	1 101	96
Liabilities, total	680 682	276 945	208 369	195 368
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	44 542	44 542		
Shareholder capital	40 000	40 000		
Reserves	1 188	1 188		
Profit/loss, current year	3 354	3 354		
Liabilities, minority interest, and capital, total	725 224	321 487	208 369	195 368
Memo: credit substitutes and other off-balance sheet commitments	100 681	94 164	2 931	3 586

* Former Roseximbank.

INCOME STATEMENT
(December 2004)

	Total	(BGN'000)		
		Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	31 807	17 587	6 808	7 412
Interest income from claims on financial institutions	2 590	162	830	1 598
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	5 224	4 082	634	508
Interest income from investment portfolio	610	388	222	0
Interest income from loans	23 371	12 943	5 122	5 306
Dividend income	12	12	0	0
INTEREST EXPENDITURE	16 530	4 293	4 780	7 457
Interest expenditure on deposits of financial institutions	899	350	374	175
Interest expenditure on deposits of non-financial institutions and other customers	15 562	3 902	4 378	7 282
Interest expenditure on borrowings under repurchase agreements	31	3	28	0
Interest expenditure on borrowings	36	36	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	2	2	0	0
INTEREST AND DIVIDEND INCOME, NET	15 277	13 294	2 028	-45
CREDIT PROVISIONS				
Accrued provisions	2 307			
Reintegrated provisions	2 070			
Credit provisions, net	237			
TRADING PORTFOLIO GAIN/LOSS	2 183			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	2 892			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	43			
OTHER NON-INTEREST INCOME	13 885			
NON-INTEREST EXPENDITURE	31 496			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 547			
FOREX REVALUATION GAIN/LOSS	-40			
EXTRAORDINARY GAIN/LOSS	1 731			
TAX	884			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	3 354			

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

License granted by the BNB	Roseximbank is a successor of the Trakia United Private Commercial Bank, Plovdiv, licensed by Resolution No. 77 of the BNB Governing Council dated 13 March 1995; Order No. 100-000251 of 17 July 1998 of the BNB Governor for licensing Roseximbank AD; Order No. 100-00514 of the BNB Governor dated 22 November 1999 amending the previous Order; Order No. RD 22-413 of the BNB Governor dated 28 July 2000 amending the previous Order. Order No. RD22-1093 of the BNB Deputy Governor heading the Banking Supervision Department dated 9 July 2004, permitting Roseximbank AD to change its name in the license to DZI Bank AD.
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Legal registration	Resolution No. 1 of 10 March 1998 of the Sofia City Court, company file No. 3006 of 1998; entered under No. 45652, v. 500, reg. I, p. 128.
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Address of the head office	4-6 Dondukov Blvd., Sofia 1000 tel. 02/9307 136, 980 25 38 Website: www.roseximbank.bg
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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
	Maxim Moncho Behar
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 – Procurator
	Plamen Borisov Itsov – Procurator
	Panayot Iov Filipov
Chief Procurator	Stanimir Metodiev Hristov
	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 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	141 640	81 243	33 120	27 277
Claims on financial institutions, net	142 882	21	70 063	72 798
Claims under repurchase agreements	1 111	0	0	1 111
Trading portfolio	42 788	35 764	2 774	4 250
Investment portfolio	91 144	80 749	6 014	4 381
Loans to non-financial institutions and other customers, net	324 877	132 067	97 620	95 190
Loans to budget	100	100	0	0
Commercial loans	340 062	126 809	108 630	104 623
Commercial real estate and construction loans	83 443	24 724	33 201	25 518
Other commercial loans	256 619	102 085	75 429	79 105
Agricultural loans	48	48	0	0
Consumer loans	21 336	19 827	1 440	69
Housing mortgage loans to individuals	3 252	272	2 773	207
Other loans	14 908	14 893	1	14
Loans to non-financial institutions and other customers, total	379 706	161 949	112 844	104 913
Less: specific provisions	54 829	29 882	15 224	9 723
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	7 256	2 865	2 531	1 860
Intangible assets	296	296	0	0
Premises and other fixed assets	29 045	29 045	0	0
Assets, total	781 039	362 050	212 122	206 867
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	149 480	62 423	81 655	5 402
Demand deposits of banks	36 162	36 069	44	49
Time deposits of banks	69 212	15 027	51 313	2 872
Deposits of other financial institutions	44 106	11 327	30 298	2 481
Deposits of non-financial institutions and other customers	551 321	145 745	201 802	203 774
Demand deposits	161 757	104 557	34 431	22 769
Time deposits	366 242	31 400	158 206	176 636
Savings deposits	23 322	9 788	9 165	4 369
Deposits, total	700 801	208 168	283 457	209 176
Borrowings under repurchase agreements	621	365	0	256
Short-term borrowings	0	0	0	0
Long-term borrowings	10 790	0	10 790	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	4 683	4 640	37	6
Liabilities, total	716 895	213 173	294 284	209 438
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	64 144	64 144		
Shareholder capital	35 000	35 000		
Reserves	18 771	18 771		
Profit/loss, current year	10 373	10 373		
Liabilities, minority interest, and capital, total	781 039	277 317	294 284	209 438
Memo: credit substitutes and other off-balance sheet commitments	20 463	16 923	2 178	1 362

INCOME STATEMENT
(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	38 972	18 421	10 406	10 145
Interest income from claims on financial institutions	3 218	230	1 973	1 015
Interest income from claims under repurchase agreements	101	78	0	23
Interest income from trading portfolio	4 899	2 507	566	1 826
Interest income from investment portfolio	2 392	532	162	1 698
Interest income from loans	28 362	15 074	7 705	5 583
Dividend income	0	0	0	0
INTEREST EXPENDITURE	24 927	2 787	10 652	11 488
Interest expenditure on deposits of financial institutions	3 705	1 076	2 459	170
Interest expenditure on deposits of non-financial institutions and other customers	20 607	1 635	7 957	11 015
Interest expenditure on borrowings under repurchase agreements	115	70	38	7
Interest expenditure on borrowings	500	6	198	296
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	14 045	15 634	-246	-1 343
CREDIT PROVISIONS				
Accrued provisions	31 320			
Reintegrated provisions	8 696			
Credit provisions, net	22 624			
TRADING PORTFOLIO GAIN/LOSS	-6 894			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	42 706			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	8 754			
NON-INTEREST EXPENDITURE	25 996			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	9 991			
FOREX REVALUATION GAIN/LOSS	301			
EXTRAORDINARY GAIN/LOSS	1 002			
TAX	921			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	10 373			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 26 of 27 January 1995; the bank was renamed by Order No. RD 22-482 of 29 September 2000. Pursuant to § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks the license was updated by Order No. 100-00502 of the BNB Governor of 18 November 1999.
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Legal registration	Resolution No.1 of 8 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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Address of the head office	2 Slavyanska Str., Sofia 1000 tel. 02/9399 240; 9399 400 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
	Alexander Alexandrov Denev
	Vladimir Trifonov Penchev

Shareholders (shares over 10%)

Katex AD – 21.14% directly, and together with related parties Runo-Kazanlak AD and Tsvetelina B. Karagiozova – 26.22%

Tsvetelina Borislavova Karagiozova – 26.22% directly, and indirectly – through Katex AD and related Runo-Kazanlak AD

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	5 191	1 074	239	3 878
Claims on financial institutions, net	6 926	999	1 592	4 335
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	1 178	61	1 002	115
Loans to non-financial institutions and other customers, net	67 945	1 591	65 311	1 043
Loans to budget	0	0	0	0
Commercial loans	70 758	1 551	68 162	1 045
Commercial real estate and construction loans	13 745	0	13 745	0
Other commercial loans	57 013	1 551	54 417	1 045
Agricultural loans	106	106	0	0
Consumer loans	63	63	0	0
Housing mortgage loans to individuals	1 242	0	1 242	0
Other loans	40	0	40	0
Loans to non-financial institutions and other customers, total	72 209	1 720	69 444	1 045
Less: specific provisions	4 264	129	4 133	2
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	62	62	0	0
Intangible assets	55	55	0	0
Premises and other fixed assets	4 921	4 921	0	0
Assets, total	86 278	8 763	68 144	9 371
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	21 273	1 546	14 974	4 753
Demand deposits of banks	0	0	0	0
Time deposits of banks	15 178	0	10 425	4 753
Deposits of other financial institutions	6 095	1 546	4 549	0
Deposits of non-financial institutions and other customers	20 610	6 812	9 361	4 437
Demand deposits	14 623	5 449	6 162	3 012
Time deposits	5 987	1 363	3 199	1 425
Savings deposits	0	0	0	0
Deposits, total	41 883	8 358	24 335	9 190
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	19 612	0	19 612	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	1 083	369	653	61
Liabilities, total	62 578	8 727	44 600	9 251
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	23 700	23 700		
Shareholder capital	17 852	17 852		
Reserves	4 450	4 450		
Profit/loss, current year	1 398	1 398		
Liabilities, minority interest, and capital, total	86 278	32 427	44 600	9 251
Memo: credit substitutes and other off-balance sheet commitments	25 331	2 261	21 763	1 307

* Former Commercial Bank of Greece (Bulgaria).

INCOME STATEMENT
(December 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 952	262	4 522	168
Interest income from claims on financial institutions	92	3	31	58
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	63	0	63	0
Interest income from loans	4 797	259	4 428	110
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 497	215	1 206	76
Interest expenditure on deposits of financial institutions	767	113	624	30
Interest expenditure on deposits of non-financial institutions and other customers	232	102	84	46
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	498	0	498	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	3 455	47	3 316	92
CREDIT PROVISIONS				
Accrued provisions	1 631			
Reintegrated provisions	1 652			
Credit provisions, net	-21			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-4			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	1 714			
NON-INTEREST EXPENDITURE	3 450			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 736			
FOREX REVALUATION GAIN/LOSS	11			
EXTRAORDINARY GAIN/LOSS	0			
TAX	349			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 398			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	BNB Order No. 100-01112 of 8 September 1997; updated by Order No. 100-00501 of the BNB Governor dated 18 November 1999; amended by Order No. RD 22-0447 of the BNB Governor dated 7 September 2000; Order No. RD 22-186 of the Deputy Governor heading the Banking Supervision Department permitting Commercial Bank of Greece – Bulgaria to change its name in the license to Emporiki Bank – Bulgaria.
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Legal registration	Resolution No. 1 of the Sofia City Court of 28 November 1994, company file No. 21376 of 1994, lot No. 20768, vol. 253, p. 168.
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Address of the head office	4 Laiosh Koshut Str., Sofia 1606 tel. 02/917 17 17
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Management

Supervisory Board*	Leonidas Aristotelis Zonios – Chairman
	Joannis Vasilias Xippas – Deputy Chairman
	Dionisios Panayotis Divaris
	Georgios Iraklis Vlahakis
	Evangelos Konstantinos Athanasiou
Management Board	Elefterios Patroclos Baharopulos – Chairman and Chief Executive Director
	Georgios Vasilios Tzamos – Executive Director
	Teodor Nikolov Palev – Executive Director

Shareholders

(shares over 10%)

Commercial Bank of Greece, Athens – 100%**

* By letter No. 1713-227 of 8 December 2004 Emporiki Bank – Bulgaria informed the BNB Special Supervision Department about the change in the bank's management system and the election of a Supervisory Board and a new Management Board. The entry of these changes in the court is pending.

** Letter No. 1713-0007 of 17 January 2005 sent to the BNB Special Supervision Directorate by Emporiki Bank – Bulgaria.



ENCOURAGEMENT BANK

111

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	5 892	5 869	8	15
Claims on financial institutions, net	4 725	2 138	2 458	129
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	16 435	7 000	9 435	0
Loans to non-financial institutions and other customers, net	64 158	24 762	39 396	0
Loans to budget	0	0	0	0
Commercial loans	61 576	18 101	43 475	0
Commercial real estate and construction loans	53 242	12 039	41 203	0
Other commercial loans	8 334	6 062	2 272	0
Agricultural loans	8 048	8 048	0	0
Consumer loans	116	116	0	0
Housing mortgage loans to individuals	0	0	0	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	69 740	26 265	43 475	0
Less: specific provisions	5 582	1 503	4 079	0
Assets for resale	114	114	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	418	418	0	0
Intangible assets	185	185	0	0
Premises and other fixed assets	2 331	2 331	0	0
Assets, total	94 258	42 817	51 297	144
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	1 677	1 611	66	0
Demand deposits of banks	347	347	0	0
Time deposits of banks	1 000	1 000	0	0
Deposits of other financial institutions	330	264	66	0
Deposits of non-financial institutions and other customers	3 523	2 680	708	135
Demand deposits	3 326	2 532	688	106
Time deposits	99	50	20	29
Savings deposits	98	98	0	0
Deposits, total	5 200	4 291	774	135
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	2 066	0	2 066	0
Long-term borrowings	52 846	4 866	47 980	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	210	209	1	0
Liabilities, total	60 322	9 366	50 821	135
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	33 936	33 936		
Shareholder capital	29 574	29 574		
Reserves	3 198	3 198		
Profit/loss, current year	1 164	1 164		
Liabilities, minority interest, and capital, total	94 258	43 302	50 821	135
Memo: credit substitutes and other off-balance sheet commitments	16 926	6 329	10 582	15



INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	7 847	3 236	4 609	2
Interest income from claims on financial institutions	266	140	124	2
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	825	651	174	0
Interest income from loans	6 752	2 445	4 307	0
Dividend income	4	0	4	0
INTEREST EXPENDITURE	1 163	135	1 028	0
Interest expenditure on deposits of financial institutions	3	3	0	0
Interest expenditure on deposits of non-financial institutions and other customers	8	6	2	0
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	1 152	126	1 026	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	6 684	3 101	3 581	2
CREDIT PROVISIONS				
Accrued provisions	3 753			
Reintegrated provisions	1 100			
Credit provisions, net	2 653			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-78			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	572			
NON-INTEREST EXPENDITURE	3 080			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 445			
FOREX REVALUATION GAIN/LOSS	1			
EXTRAORDINARY GAIN/LOSS	0			
TAX	282			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 164			



ENCOURAGEMENT BANK

113

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

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



EVROBANK

114

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	64 663	40 794	7 147	16 722
Claims on financial institutions, net	60 086	9 194	10 466	40 426
Claims under repurchase agreements	407	407	0	0
Trading portfolio	58 979	27 564	12 098	19 317
Investment portfolio	88	85	3	0
Loans to non-financial institutions and other customers, net	222 697	118 304	72 917	31 476
Loans to budget	0	0	0	0
Commercial loans	181 071	79 916	69 318	31 837
Commercial real estate and construction loans	51 287	18 670	28 124	4 493
Other commercial loans	129 784	61 246	41 194	27 344
Agricultural loans	6 851	6 191	660	0
Consumer loans	37 498	36 796	695	7
Housing mortgage loans to individuals	4 009	1 261	2 709	39
Other loans	558	433	55	70
Loans to non-financial institutions and other customers, total	229 987	124 597	73 437	31 953
Less: specific provisions	7 290	6 293	520	477
Assets for resale	297	297	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	3 043	2 840	189	14
Intangible assets	335	335	0	0
Premises and other fixed assets	14 896	14 896	0	0
Assets, total	425 491	214 716	102 820	107 955
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	36 782	16 153	10 590	10 039
Demand deposits of banks	0	0	0	0
Time deposits of banks	22 245	2 006	10 547	9 692
Deposits of other financial institutions	14 537	14 147	43	347
Deposits of non-financial institutions and other customers	315 881	136 640	79 879	99 362
Demand deposits	82 654	54 354	16 063	12 237
Time deposits	233 227	82 286	63 816	87 125
Savings deposits	0	0	0	0
Deposits, total	352 663	152 793	90 469	109 401
Borrowings under repurchase agreements	3 681	3 681	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	31 670	18 147	13 523	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	2 844	1 518	1 123	203
Liabilities, total	390 858	176 139	105 115	109 604
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	34 633	34 633		
Shareholder capital	23 123	23 123		
Reserves	5 062	5 062		
Profit/loss, current year	6 448	6 448		
Liabilities, minority interest, and capital, total	425 491	210 772	105 115	109 604
Memo: credit substitutes and other off-balance sheet commitments	86 675	78 882	4 960	2 833



INCOME STATEMENT
(December 2004)

	Total	(BGN'000)		
		Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	27 416	15 806	7 867	3 743
Interest income from claims on financial institutions	815	117	112	586
Interest income from claims under repurchase agreements	24	24	0	0
Interest income from trading portfolio	2 547	1 318	430	799
Interest income from investment portfolio	0	0	0	0
Interest income from loans	23 929	14 246	7 325	2 358
Dividend income	101	101	0	0
INTEREST EXPENDITURE	12 367	5 317	2 886	4 164
Interest expenditure on deposits of financial institutions	651	320	308	23
Interest expenditure on deposits of non-financial institutions and other customers	10 405	4 115	2 149	4 141
Interest expenditure on borrowings under repurchase agreements	409	409	0	0
Interest expenditure on borrowings	834	405	429	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	62	62	0	0
Interest expenditure on other liabilities	6	6	0	0
INTEREST AND DIVIDEND INCOME, NET	15 049	10 489	4 981	-421
CREDIT PROVISIONS				
Accrued provisions	8 387			
Reintegrated provisions	5 412			
Credit provisions, net	2 975			
TRADING PORTFOLIO GAIN/LOSS	1 633			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	431			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	8 709			
NON-INTEREST EXPENDITURE	17 089			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	5 758			
FOREX REVALUATION GAIN/LOSS	2 252			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 562			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	6 448			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Protocol of Meeting of the BNB Governing Council No. 101-00013 of 2 March 1994, Order No. 100-000484 of 3 October 1997 of the BNB Governor; license updated by Order No. 100-00503 of the BNB Governor dated 18 November 1999
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Legal registration	Company file No. 24013 of 1993 of the Sofia City Court, lot No. 15059, vol. 194, p. 174
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Address of the head office	43 Cherni Vrah Blvd., Sofia 1407 tel. 02/969 07 60 Website: www.eurobank.bg
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Management

Supervisory Board	Mitko Vasilev Sabev -- Chairman Yurex Consult Ltd, represented by Mariana Alexandrova Danova Ventseslav Asenov Dimitrov
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Management Board	Emil Angelov Angelov – Chairman Bisser Parashkevov Mitrikov – Deputy Chairman Anton Hristov Todorov Ivelina Yordanova Decheva Konstantin Angelov Yordanov Yuriy Asenov Stanchev
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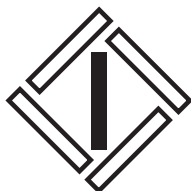
Executive Members of the Management Board	Emil Angelov Angelov Bisser Parashkevov Mitrikov Yuriy Asenov Stanchev*
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Shareholders

(shares over 10%)

Petrol Holding Ltd – 96.65%

* The entry in the Sofia Regional Court is pending.



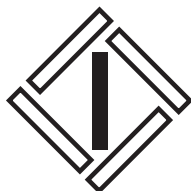
FIRST INVESTMENT BANK

117

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	136 480	72 043	9 496	54 941
Claims on financial institutions, net	231 368	271	106 185	124 912
Claims under repurchase agreements	34 398	7 655	26 743	0
Trading portfolio	187 714	40 395	131 838	15 481
Investment portfolio	28 251	206	6 739	21 306
Loans to non-financial institutions and other customers, net	979 982	366 507	451 278	162 197
Loans to budget	0	0	0	0
Commercial loans	780 097	194 968	425 517	159 612
Commercial real estate and construction loans	435 681	105 892	283 006	46 783
Other commercial loans	344 416	89 076	142 511	112 829
Agricultural loans	25 836	22 994	2 403	439
Consumer loans	103 245	94 783	7 986	476
Housing mortgage loans to individuals	65 011	46 578	17 236	1 197
Other loans	29 076	20 086	3 817	5 173
Loans to non-financial institutions and other customers, total	1 003 265	379 409	456 959	166 897
Less: specific provisions	23 283	12 902	5 681	4 700
Assets for resale	574	574	0	0
Investments in unconsolidated subsidiaries and associated companies	2250	2250	0	0
Other assets, net	6 259	3 778	1 548	933
Intangible assets	615	436	0	179
Premises and other fixed assets	43 228	42 612	0	616
Assets, total	1 651 119	536 727	733 827	380 565
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	229 421	6 431	202 734	20 256
Demand deposits of banks	323	42	186	95
Time deposits of banks	12 776	0	8 677	4 099
Deposits of other financial institutions	216 322	6 389	193 871	16 062
Deposits of non-financial institutions and other customers	846 150	372 986	266 951	206 213
Demand deposits	402 772	264 164	89 373	49 235
Time deposits	443 378	108 822	177 578	156 978
Savings deposits	0	0	0	0
Deposits, total	1 075 571	379 417	469 685	226 469
Borrowings under repurchase agreements	47 445	11 254	29 152	7 039
Short-term borrowings	312 490	7 408	130 393	174 689
Long-term borrowings	71 298	0	49 545	21 753
Subordinated term debt and debt/equity (hybrid) instruments	28 698	0	28 698	0
Other liabilities	7 188	6 530	521	137
Liabilities, total	1 542 690	404 609	707 994	430 087
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	108 429	108 429		
Shareholder capital	10 000	10 000		
Reserves	80 809	80 809		
Profit/loss, current year	17 620	17 620		
Liabilities, minority interest, and capital, total	1 651 119	513 038	707 994	430 087
Memo: credit substitutes and other off-balance sheet commitments	164 569	42 134	73 030	49 405



FIRST INVESTMENT BANK

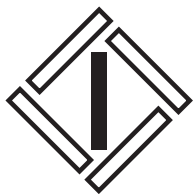
118

Commercial Banks in Bulgaria

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	105 107	46 243	41 088	17 776
Interest income from claims on financial institutions	2 639	165	919	1 555
Interest income from claims under repurchase agreements	2 517	144	2 373	0
Interest income from trading portfolio	3 198	1 811	888	499
Interest income from investment portfolio	470	0	381	89
Interest income from loans	96 282	44 122	36 527	15 633
Dividend income	1	1	0	0
INTEREST EXPENDITURE	46 676	7 679	21 159	17 838
Interest expenditure on deposits of financial institutions	11 498	236	7 786	3 476
Interest expenditure on deposits of non-financial institutions and other customers	19 040	7 011	5 900	6 129
Interest expenditure on borrowings under repurchase agreements	340	308	29	3
Interest expenditure on borrowings	12 565	109	4 226	8 230
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	3 218	0	3 218	0
Interest expenditure on other liabilities	15	15	0	0
INTEREST AND DIVIDEND INCOME, NET	58 431	38 564	19 929	-62
CREDIT PROVISIONS				
Accrued provisions	16 428			
Reintegrated provisions	12 293			
Credit provisions, net	4 135			
TRADING PORTFOLIO GAIN/LOSS	2 723			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	139			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-101			
OTHER NON-INTEREST INCOME	12 102			
NON-INTEREST EXPENDITURE	52 822			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	16 337			
FOREX REVALUATION GAIN/LOSS	5 119			
EXTRAORDINARY GAIN/LOSS	0			
TAX	3 836			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	17 620			



FIRST INVESTMENT BANK

119

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Limited license: Resolution of the BNB Governing Council No. 278 of 1 October 1993. Full license: Resolution of the BNB Governing Council No. 273 of 14 September 1995. License update: Order No. 100-00498 of the BNB Governor dated 18 November 1999 in accordance with the Law on Banks.
Legal registration	Entered in the Commercial Register by Resolution of the Sofia City Court on company file No. 18045 of 1993, lot No. 11941, vol. 163, p. 106.
Address of the head office	10 Stefan Karadzha Str., Sofia 1000 tel. 02/910 01 Website: www.fibank.bg

Management

Supervisory Board	Georgi Dimitrov Moutafchiev – Chairman Radka Veselina Mineva Todor Breshkov
Management Board	Jonathan Henry Martyn Harfield – Chief Executive Director Matio Alexandrov Mateev – Deputy Chief Executive Director Maya Lyubenova Georgieva – Executive Director Yordan Velichkov Skorchev – Executive Director 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%

* Lyubomir Ivanov Vesov was dismissed from the Management Board at the Supervisory Board's Meeting on 19 November 2004. This change was entered in the registers of commercial companies by Resolution No. 29 of the Sofia City Court on 4 January 2005.



HEBROS COMMERCIAL BANK

120

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	57 454	34 640	4 663	18 151
Claims on financial institutions, net	100 448	750	58 169	41 529
Claims under repurchase agreements	0	0	0	0
Trading portfolio	24 034	14 527	160	9 347
Investment portfolio	25 223	702	1 023	23 498
Loans to non-financial institutions and other customers, net	358 389	221 276	133 296	3 817
Loans to budget	466	466	0	0
Commercial loans	230 677	120 279	106 635	3 763
Commercial real estate and construction loans	74 507	31 708	42 799	0
Other commercial loans	156 170	88 571	63 836	3 763
Agricultural loans	19 315	14 829	4 486	0
Consumer loans	94 731	91 133	3 578	20
Housing mortgage loans to individuals	7 858	4 526	3 172	160
Other loans	20 986	4 567	16 210	209
Loans to non-financial institutions and other customers, total	374 033	235 800	134 081	4 152
Less: specific provisions	15 644	14 524	785	335
Assets for resale	2 647	2 647	0	0
Investments in unconsolidated subsidiaries and associated companies	2334	2334	0	0
Other assets, net	8 104	6 845	1 215	44
Intangible assets	10 937	10 937	0	0
Premises and other fixed assets	23 808	23 808	0	0
Assets, total	613 378	318 466	198 526	96 386
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	14 545	1 054	8 609	4 882
Demand deposits of banks	1	1	0	0
Time deposits of banks	13 488	0	8 606	4 882
Deposits of other financial institutions	1 056	1 053	3	0
Deposits of non-financial institutions and other customers	430 825	246 510	93 938	90 377
Demand deposits	173 925	156 648	11 299	5 978
Time deposits	190 742	66 943	59 517	64 282
Savings deposits	66 158	22 919	23 122	20 117
Deposits, total	445 370	247 564	102 547	95 259
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	27 713	3 723	23 734	256
Subordinated term debt and debt/equity (hybrid) instruments	19 576	0	19 576	0
Other liabilities	15 387	5 428	8 862	1 097
Liabilities, total	508 046	256 715	154 719	96 612
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	105 332	105 332		
Shareholder capital	41 103	41 103		
Reserves	55 105	55 105		
Profit/loss, current year	9 124	9 124		
Liabilities, minority interest, and capital, total	613 378	362 047	154 719	96 612
Memo: credit substitutes and other off-balance sheet commitments	79 352	38 238	37 644	3 470



HEBROS COMMERCIAL BANK

121

INCOME STATEMENT (December 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	39 107	26 294	10 426	2 387
Interest income from claims on financial institutions	1 425	52	766	607
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	1 641	757	223	661
Interest income from investment portfolio	582	0	75	507
Interest income from loans	35 459	25 485	9 362	612
Dividend income	0	0	0	0
INTEREST EXPENDITURE	6 521	3 380	1 968	1 173
Interest expenditure on deposits of financial institutions	242	162	74	6
Interest expenditure on deposits of non-financial institutions and other customers	5 477	3 058	1 295	1 124
Interest expenditure on borrowings under repurchase agreements	4	4	0	0
Interest expenditure on borrowings	780	156	581	43
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	18	0	18	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	32 586	22 914	8 458	1 214
CREDIT PROVISIONS				
Accrued provisions	86 736			
Reintegrated provisions	84 664			
Credit provisions, net	2 072			
TRADING PORTFOLIO GAIN/LOSS	531			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 787			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	22 551			
NON-INTEREST EXPENDITURE	44 446			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	10 937			
FOREX REVALUATION GAIN/LOSS	612			
EXTRAORDINARY GAIN/LOSS	1			
TAX	2 426			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	9 124			



HEBROS COMMERCIAL BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No.177 of 3 June 1993 of the BNB Governing Council, updated in accordance with the Law on Banks by Order No. 100-00489 of the BNB Governor dated 17 November 1999
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Legal registration	Entered in the registers of the Plovdiv Regional Court by Resolution No. 6965 of 8 June 1993
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Address of the head office	37 Tsar Boris III Obedinitel Blvd., Plovdiv 4018 tel. 032/63 18 76; 62 88 70 Website: www.hebros.bg
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Management

Supervisory Board	Helmut Bernkopf – Chairman
	Ludwig Wagner – Deputy Chairman
	Josef Duregger
Management Board	Peter Harold – Chairman and Chief Executive Director
	Ludmil Gatchev – Executive Director
	Alexander Tsachev – Executive Director
	Vesselin Denchev* – Executive Director

Shareholders

(shares over 10%)

Bank Austria Creditanstalt – 89.92%
HVB Bank Biochim** – 9.99%

* Changes in the Supervisory and Management Boards were entered in the registers of the Plovdiv Regional Court on 23 March 2005.

** Shares will be endorsed in February 2005.

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	200 884	138 769	9 866	52 249
Claims on financial institutions, net	331 678	63 357	258 013	10 308
Claims under repurchase agreements	2 486	160	2 326	0
Trading portfolio	87 631	45 222	18 880	23 529
Investment portfolio	131 495	50 882	47 022	33 591
Loans to non-financial institutions and other customers, net	1 140 661	537 715	576 870	26 076
Loans to budget	9 011	9 011	0	0
Commercial loans	857 123	283 715	546 376	27 032
Commercial real estate and construction loans	398 414	83 983	309 301	5 130
Other commercial loans	458 709	199 732	237 075	21 902
Agricultural loans	11 851	8 390	3 461	0
Consumer loans	250 116	235 531	14 340	245
Housing mortgage loans to individuals	48 867	19 638	27 903	1 326
Other loans	19 030	17 036	478	1 516
Loans to non-financial institutions and other customers, total	1 195 998	573 321	592 558	30 119
Less: specific provisions	55 337	35 606	15 688	4 043
Assets for resale	2 787	2 787	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	4 057	2 687	1 370	0
Intangible assets	4 315	4 315	0	0
Premises and other fixed assets	49 760	49 760	0	0
Assets, total	1 955 754	895 654	914 347	145 753
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	583 298	117 640	387 400	78 258
Demand deposits of banks	660	200	188	272
Time deposits of banks	572 014	108 672	385 371	77 971
Deposits of other financial institutions	10 624	8 768	1 841	15
Deposits of non-financial institutions and other customers	951 982	534 548	241 274	176 160
Demand deposits	514 803	399 435	84 904	30 464
Time deposits	275 661	78 675	99 873	97 113
Savings deposits	161 518	56 438	56 497	48 583
Deposits, total	1 535 280	652 188	628 674	254 418
Borrowings under repurchase agreements	86 858	75 117	11 741	0
Short-term borrowings	0	0	0	0
Long-term borrowings	111 955	407	111 548	0
Subordinated term debt and debt/equity (hybrid) instruments	19 604	0	19 604	0
Other liabilities	34 126	18 656	12 783	2 687
Liabilities, total	1 787 823	746 368	784 350	257 105
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	167 931	167 931		
Shareholder capital	36 842	36 842		
Reserves	102 205	102 205		
Profit/loss, current year	28 884	28 884		
Liabilities, minority interest, and capital, total	1 955 754	914 299	784 350	257 105
Memo: credit substitutes and other off-balance sheet commitments	583 805	214 588	271 125	98 092

* Former Biochim Commercial Bank.

INCOME STATEMENT

(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	93 108	59 284	27 650	6 174
Interest income from claims on financial institutions	4 930	1 200	1 357	2 373
Interest income from claims under repurchase agreements	73	47	11	15
Interest income from trading portfolio	2 881	2 016	678	187
Interest income from investment portfolio	4 990	2 375	1 776	839
Interest income from loans	80 226	53 638	23 828	2 760
Dividend income	8	8	0	0
INTEREST EXPENDITURE	17 332	7 818	7 925	1 589
Interest expenditure on deposits of financial institutions	6 731	3 341	2 879	511
Interest expenditure on deposits of non-financial institutions and other customers	6 545	3 645	1 822	1 078
Interest expenditure on borrowings under repurchase agreements	1 141	810	331	0
Interest expenditure on borrowings	2 860	13	2 847	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	46	0	46	0
Interest expenditure on other liabilities	9	9	0	0
INTEREST AND DIVIDEND INCOME, NET	75 776	51 466	19 725	4 585
CREDIT PROVISIONS				
Accrued provisions	23 403			
Reintegrated provisions	13 634			
Credit provisions, net	9 769			
TRADING PORTFOLIO GAIN/LOSS	659			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 218			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	35 996			
NON-INTEREST EXPENDITURE	67 144			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	36 736			
FOREX REVALUATION GAIN/LOSS	-785			
EXTRAORDINARY GAIN/LOSS	0			
TAX	7 067			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	28 884			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	No. 140-00415 of 5 September 1995, Resolution No. 266 of 4 September 1995 of the BNB Governing Council. License updated in accordance with requirements of § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks by Order No. 100-00486 of the BNB Governor dated 17 November 1999
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Legal registration	Resolution of 13 September 1995 of the Sofia City Court on company file No. 14835 of 1995 of the Sofia City Court, entered in the Commercial Register, lot No. 691, vol. 13, reg. I, p. 12
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Address of the head office	1 Ivan Vazov Str., Sofia 1026 tel. 02/926 92 10 Website: www.biochim.com
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Management

Supervisory Board	Martin Gruel – Chairman
	Regina Prehofer
	Wolfgang Edelmueller
	Heinz Meidlinger
	Josef Duregger
	Ralf Cymanek
	Wolfgang Helpa
Management Board	Peter Harold – Chairman and Chief Executive Director
	Ludmil Vladimirov Gatchev – Executive Director
	Emiliya Stefanova Palibachiyska – Executive Director
	Maria Dimova Ilieva – Executive Director
	Ludwig Wagner

Shareholders (shares over 10%)

Bank Austria Creditanstalt – 99.59%

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	56 417	0	56 417	24 120	1 070	31 227
Claims on financial institutions, net	407 649	382 025	25 624	9 901	3 943	11 780
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	34 337	0	34 337	24 190	6 171	3 976
Investment portfolio	46	0	46	46	0	0
Loans to non-financial institutions and other customers, net	169 519	0	169 519	116 793	44 194	8 532
Loans to budget	0	0	0	0	0	0
Commercial loans	150 385	0	150 385	106 084	44 094	207
Commercial real estate and construction loans	5 096	0	5 096	5 096	0	0
Other commercial loans	145 289	0	145 289	100 988	44 094	207
Agricultural loans	10 496	0	10 496	2 072	100	8 324
Consumer loans	1 840	0	1 840	1 840	0	0
Housing mortgage loans to individuals	8 221	0	8 221	8 221	0	0
Other loans	187	0	187	186	0	1
Loans to non-financial institutions and other customers, total	171 129	0	171 129	118 403	44 194	8 532
Less: specific provisions	1 610	0	1 610	1 610	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	4 295	0	4 295	1 396	2 639	260
Intangible assets	813	0	813	813	0	0
Premises and other fixed assets	809	0	809	809	0	0
Assets, total	673 885	382 025	291 860	178 068	58 017	55 775
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	79 733	30 477	49 256	19 638	4 098	25 520
Demand deposits of banks	1 292	53	1 239	1 210	1	28
Time deposits of banks	76 956	30 424	46 532	17 202	3 912	25 418
Deposits of other financial institutions	1 485	0	1 485	1 226	185	74
Deposits of non-financial institutions and other customers	548 623	0	548 623	180 421	322 421	45 781
Demand deposits	407 680	0	407 680	78 552	310 546	18 582
Time deposits	140 754	0	140 754	101 802	11 753	27 199
Savings deposits	189	0	189	67	122	0
Deposits, total	628 356	30 477	597 879	200 059	326 519	71 301
Borrowings under repurchase agreements	4 040	0	4 040	4 040	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	19 093	190	18 903	13 908	3 340	1 655
Liabilities, total	651 489	30 667	620 822	218 007	329 859	72 956
Reserves and financial result, total	22 396	17 986	4 410	4 410		
Reserves	17 986	17 986	0	0		
Profit/loss, current year	4 410	0	4 410	4 410		
Liabilities, reserves, and financial result, total	673 885	48 653	625 232	222 417	329 859	72 956
Memo: credit substitutes and other off-balance sheet commitments	141 817	0	141 817	45 905	92 616	3 296

INCOME STATEMENT

(December 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	13 905	1 115	12 790	9 982	2174	634
Interest income from claims on financial institutions	1 827	1 115	712	595	117	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	2 070	0	2 070	2 070	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	10 008	0	10 008	7 317	2057	634
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	2 354	0	2 354	1 214	790	350
Interest expenditure on deposits of financial institutions	872	0	872	483	134	255
Interest expenditure on deposits of non-financial institutions and other customers	1 448	0	1 448	697	656	95
Interest expenditure on borrowings under repurchase agreements	34	0	34	34	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	11 551	1 115	10 436	8 768	1384	284
CREDIT PROVISIONS						
Accrued provisions	1 610	0	1 610			
Reintegrated provisions	3 038	0	3 038			
Credit provisions, net	-1 428	0	-1 428			
TRADING PORTFOLIO GAIN/LOSS	264	0	264			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	6 256	0	6 256			
NON-INTEREST EXPENDITURE	14 828	2 920	11 908			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	4 671	-1 805	6 476			
FOREX REVALUATION GAIN/LOSS	713	0	713			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	974	0	974			
PROFIT/LOSS, NET	4 410	-1 805	6 215			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

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



INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

129

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	7 141	2 885	2 496	1 760
Claims on financial institutions, net	15 906	5	4 541	11 360
Claims under repurchase agreements	0	0	0	0
Trading portfolio	1 540	0	1 540	0
Investment portfolio	64	61	0	3
Loans to non-financial institutions and other customers, net	39 538	29 476	4 735	5 327
Loans to budget	0	0	0	0
Commercial loans	40 089	30 431	4 423	5 235
Commercial real estate and construction loans	9 623	7 648	795	1 180
Other commercial loans	30 466	22 783	3 628	4 055
Agricultural loans	753	753	0	0
Consumer loans	962	749	56	157
Housing mortgage loans to individuals	294	13	263	18
Other loans	5 077	5 068	9	0
Loans to non-financial institutions and other customers, total	47 175	37 014	4 751	5 410
Less: specific provisions	7 637	7 538	16	83
Assets for resale	303	303	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 160	809	139	212
Intangible assets	6	6	0	0
Premises and other fixed assets	367	367	0	0
Assets, total	66 025	33 912	13 451	18 662
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	3 932	3 896	0	36
Demand deposits of banks	0	0	0	0
Time deposits of banks	3 702	3 702	0	0
Deposits of other financial institutions	230	194	0	36
Deposits of non-financial institutions and other customers	53 763	20 244	16 096	17 423
Demand deposits	11 500	7 836	1 629	2 035
Time deposits	41 309	11 910	14 071	15 328
Savings deposits	954	498	396	60
Deposits, total	57 695	24 140	16 096	17 459
Borrowings under repurchase agreements	1 435	1 435	0	0
Short-term borrowings	11	6	5	0
Long-term borrowings	707	707	0	0
Subordinated term debt and debt/equity (hybrid) instruments	1 000	1 000	0	0
Other liabilities	899	859	21	19
Liabilities, total	61 747	28 147	16 122	17 478
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	4 278	4 278		
Shareholder capital	13 000	13 000		
Reserves	675	675		
Profit/loss, current year	-9 397	-9 397		
Liabilities, minority interest, and capital, total	66 025	32 425	16 122	17 478
Memo: credit substitutes and other off-balance sheet commitments	11 505	7 492	1 366	2 647



INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

130

Commercial Banks in Bulgaria

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 508	2 725	769	1 014
Interest income from claims on financial institutions	182	0	72	110
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	72	0	72	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	4 254	2 725	625	904
Dividend income	0	0	0	0
INTEREST EXPENDITURE	2 556	1 001	695	860
Interest expenditure on deposits of financial institutions	114	114	0	0
Interest expenditure on deposits of non-financial institutions and other customers	2 329	789	688	852
Interest expenditure on borrowings under repurchase agreements	27	27	0	0
Interest expenditure on borrowings	36	21	7	8
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	50	50	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 952	1 724	74	154
CREDIT PROVISIONS				
Accrued provisions	9 823			
Reintegrated provisions	848			
Credit provisions, net	8 975			
TRADING PORTFOLIO GAIN/LOSS	82			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	1 999			
NON-INTEREST EXPENDITURE	4 245			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-9 186			
FOREX REVALUATION GAIN/LOSS	-73			
EXTRAORDINARY GAIN/LOSS	8			
TAX	146			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	-9 397			



INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

131

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Protocol No. 7 of 5 February 1991 of the BNB Governing Council. 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.
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Legal registration	Resolution No. 4864 of 22 February 1991 of the Sofia City Court, Company Department
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Address of the head office	2 Ivan Vazov Str., Sofia 1000 tel. 02/980 60 85; 986 41 47; 987 15 16
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Management

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

Shareholders (shares over 10%)



Investbank Bulgaria
Инвестбанк АД

INVESTBANK*

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	20 689	18 713	1 155	821
Claims on financial institutions, net	10 590	229	4 949	5 412
Claims under repurchase agreements	832	0	832	0
Trading portfolio	21 340	17 204	3 128	1 008
Investment portfolio	3 846	821	3 025	0
Loans to non-financial institutions and other customers, net	95 597	65 282	20 423	9 892
Loans to budget	0	0	0	0
Commercial loans	68 157	39 132	19 133	9 892
Commercial real estate and construction loans	26 312	8 229	13 149	4 934
Other commercial loans	41 845	30 903	5 984	4 958
Agricultural loans	10 022	10 022	0	0
Consumer loans	9 826	9 321	505	0
Housing mortgage loans to individuals	703	587	116	0
Other loans	9 702	8 636	1 023	43
Loans to non-financial institutions and other customers, total	98 410	67 698	20 777	9 935
Less: specific provisions	2 813	2 416	354	43
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	603	533	58	12
Intangible assets	623	623	0	0
Premises and other fixed assets	3 445	3 445	0	0
Assets, total	157 565	106 850	33 570	17 145
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	21 705	16 809	4 780	116
Demand deposits of banks	134	32	0	102
Time deposits of banks	5 348	3 900	1 448	0
Deposits of other financial institutions	16 223	12 877	3 332	14
Deposits of non-financial institutions and other customers	92 584	41 069	35 653	15 862
Demand deposits	24 408	20 076	3 276	1 056
Time deposits	61 723	18 491	29 511	13 721
Savings deposits	6 453	2 502	2 866	1 085
Deposits, total	114 289	57 878	40 433	15 978
Borrowings under repurchase agreements	13 075	13 075	0	0
Short-term borrowings	47	0	0	47
Long-term borrowings	12 800	8 898	3 902	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	594	355	178	61
Liabilities, total	140 805	80 206	44 513	16 086
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	16 760	16 760		
Shareholder capital	16 000	16 000		
Reserves	611	611		
Profit/loss, current year	149	149		
Liabilities, minority interest, and capital, total	157 565	96 966	44 513	16 086
Memo: credit substitutes and other off-balance sheet commitments	21 444	14 791	5 861	792

* Former Neftinvestbank.

INCOME STATEMENT

(December 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	10 733	6 957	2 558	1 218
Interest income from claims on financial institutions	141	34	64	43
Interest income from claims under repurchase agreements	47	22	21	4
Interest income from trading portfolio	730	526	164	40
Interest income from investment portfolio	0	0	0	0
Interest income from loans	9 814	6 374	2 309	1 131
Dividend income	1	1	0	0
INTEREST EXPENDITURE	5 018	2 177	2 029	812
Interest expenditure on deposits of financial institutions	707	642	53	12
Interest expenditure on deposits of non-financial institutions and other customers	3 731	1 129	1 802	800
Interest expenditure on borrowings under repurchase agreements	197	186	11	0
Interest expenditure on borrowings	383	220	163	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	5 715	4 780	529	406
CREDIT PROVISIONS				
Accrued provisions	2 073			
Reintegrated provisions	1 342			
Credit provisions, net	731			
TRADING PORTFOLIO GAIN/LOSS	-38			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	335			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	3 211			
NON-INTEREST EXPENDITURE	8 136			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	356			
FOREX REVALUATION GAIN/LOSS	-134			
EXTRAORDINARY GAIN/LOSS	-37			
TAX	36			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	149			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 364 of the BNB Governing Council of 1 December 1994, updated in accordance with the Law on Banks by Order No. 100-000574 of 27 December 1999
Legal registration	Resolution No.1 of the Sofia City Court dated 16 December 1994
Address of the head office	155 Rakovski Str., Sofia 1000 tel. 02/981 77 34; 9305 130 Website: www.ibank.bg
Management	
Supervisory Board	Petya Ivanova Barakova-Slavova – Chairman Vincom AD, represented by Krastinka Radkova Stoyanova – Deputy Chairman Festa Holding AD, represented by Petya Slavova
Management Board	Damyan Nikolov Damyanov – Chairman and Executive Director Kiril Savov Grigorov – Executive Director
Procurator	Dimitar Marinov Dimitrov
Shareholders (shares over 10%)	
	Festa Holding – 63%
	Vincom – 19.37%
	DZI General Insurance – 10.41%



MUNICIPAL BANK

135

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	50 456	46 799	2 385	1 272
Claims on financial institutions, net	65 139	10 677	47 183	7 279
Claims under repurchase agreements	7 712	7 712	0	0
Trading portfolio	153 411	116 220	31 378	5 813
Investment portfolio	939	921	0	18
Loans to non-financial institutions and other customers, net	179 045	99 972	55 909	23 164
Loans to budget	1 857	1 857	0	0
Commercial loans	167 536	87 173	58 044	22 319
Commercial real estate and construction loans	59 230	19 272	37 652	2 306
Other commercial loans	108 306	67 901	20 392	20 013
Agricultural loans	3 009	3 009	0	0
Consumer loans	10 994	10 610	384	0
Housing mortgage loans to individuals	4 976	3 650	1 309	17
Other loans	5 302	3 854	590	858
Loans to non-financial institutions and other customers, total	193 674	110 153	60 327	23 194
Less: specific provisions	14 629	10 181	4 418	30
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	2 652	2 143	281	228
Intangible assets	2 750	2 750	0	0
Premises and other fixed assets	9 330	9 330	0	0
Assets, total	471 434	296 524	137 136	37 774
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	16 038	7 616	183	8 239
Demand deposits of banks	377	121	154	102
Time deposits of banks	8 111	0	0	8 111
Deposits of other financial institutions	7 550	7 495	29	26
Deposits of non-financial institutions and other customers	352 743	287 776	37 305	27 662
Demand deposits	252 221	240 562	8 317	3 342
Time deposits	87 740	41 753	23 987	22 000
Savings deposits	12 782	5 461	5 001	2 320
Deposits, total	368 781	295 392	37 488	35 901
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	6 705	794	5 911	0
Long-term borrowings	53 648	851	52 797	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	2 618	978	752	888
Liabilities, total	431 752	298 015	96 948	36 789
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	39 682	39 682		
Shareholder capital	25 000	25 000		
Reserves	11 046	11 046		
Profit/loss, current year	3 636	3 636		
Liabilities, minority interest, and capital, total	471 434	337 697	96 948	36 789
Memo: credit substitutes and other off-balance sheet commitments	49 745	39 305	9 594	846



INCOME STATEMENT

(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	25 139	17 738	5 836	1 565
Interest income from claims on financial institutions	1 099	265	606	228
Interest income from claims under repurchase agreements	327	326	0	1
Interest income from trading portfolio	9 057	7 046	1 709	302
Interest income from investment portfolio	55	30	12	13
Interest income from loans	14 599	10 069	3 509	1 021
Dividend income	2	2	0	0
INTEREST EXPENDITURE	5 539	2 036	2 802	701
Interest expenditure on deposits of financial institutions	406	331	25	50
Interest expenditure on deposits of non-financial institutions and other customers	3 017	1 654	712	651
Interest expenditure on borrowings under repurchase agreements	28	28	0	0
Interest expenditure on borrowings	2 088	23	2 065	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	19 600	15 702	3 034	864
CREDIT PROVISIONS				
Accrued provisions	4 385			
Reintegrated provisions	1 733			
Credit provisions, net	2 652			
TRADING PORTFOLIO GAIN/LOSS	2 845			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	343			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	7 890			
NON-INTEREST EXPENDITURE	23 498			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	4 528			
FOREX REVALUATION GAIN/LOSS	41			
EXTRAORDINARY GAIN/LOSS	0			
TAX	933			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	3 636			



MUNICIPAL BANK

137

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Order No. 100-00491 of the BNB Governor dated 17 November 1999
Legal registration	Resolution No. 1 of 4 April 1996 of the Sofia City Court on company file No. 5197 of 1996, lot No. 737, reg. II, vol. 13, p. 138
Address of the head office	6 Vrabcha Str., Sofia 1000 tel. 02/930 01 11 Website: www.municipalbank.bg
Management	
Supervisory Board	Lyubomir Vladimirov Pavlov
	Ventsislav Stoyanov Nikolov
	Petar Dimitrov Dzhorinski
Management Board	Vanya Georgieva Vasileva – Chief Executive Director
	Vasil Svilenov Piralkov – Executive Director
	Angel Kirilov Gekov – Executive Director
	Vladimir Todorov Hristov
	Vasil Petrov Vasilev
Procurators	Raiko Ivanov Karagiozov
	Todor Nikolov Vanev*
Shareholders (shares over 10%)	
Sofia Municipality – 67%	

* Entered by Resolution No. 22 of 11 February 2005 of the Sofia City Court on company file No. 5197 of 1996.



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

138

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	13 558	0	13 558	1 211	0	12 347
Claims on financial institutions, net	146 769	146 711	58	0	42	16
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	3 092	0	3 092	0	1 077	2 015
Investment portfolio	15	0	15	15	0	0
Loans to non-financial institutions and other customers, net	31 511	0	31 511	0	31 511	0
Loans to budget	0	0	0	0	0	0
Commercial loans	31 511	0	31 511	0	31 511	0
Commercial real estate and construction loans	31 511	0	31 511	0	31 511	0
Other commercial loans	0	0	0	0	0	0
Agricultural loans	0	0	0	0	0	0
Consumer loans	0	0	0	0	0	0
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	3	0	3	3	0	0
Loans to non-financial institutions and other customers, total	31 514	0	31 514	3	31 511	0
Less: specific provisions	3	0	3	3	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	165	0	165	163	2	0
Intangible assets	210	0	210	210	0	0
Premises and other fixed assets	88	0	88	88	0	0
Assets, total	195 408	146 711	48 697	1 687	32 632	14 378
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	173 442	165 123	8 319	1 001	5 868	1 450
Demand deposits of banks	1 552	1 552	0	0	0	0
Time deposits of banks	170 597	162 293	8 304	1 000	5 868	1 436
Deposits of other financial institutions	1 293	1 278	15	1	0	14
Deposits of non-financial institutions and other customers	11 135	0	11 135	563	5 008	5 564
Demand deposits	860	0	860	334	409	117
Time deposits	5 693	0	5 693	39	2 092	3 562
Savings deposits	4 582	0	4 582	190	2 507	1 885
Deposits, total	184 577	165 123	19 454	1 564	10 876	7 014
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	8 442	7 790	652	562	85	5
Liabilities, total	193 019	172 913	20 106	2 126	10 961	7 019
Reserves and financial result, total	2 389	381	2 008	2 008		
Reserves	381	381	0	0		
Profit/loss, current year	2 008	0	2 008	2 008		
Liabilities, reserves, and financial result, total	195 408	173 294	22 114	4 134	10 961	7 019
Memo: credit substitutes and other off-balance sheet commitments	45 730	70	45 660	561	44 742	357



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

139

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	8 458	5 333	3 125	152	2850	123
Interest income from claims on financial institutions	5 367	5 333	34	29	5	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	89	0	89	0	59	30
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	3 002	0	3 002	123	2786	93
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	3 542	1 932	1 610	180	730	700
Interest expenditure on deposits of financial institutions	2 943	1 932	1 011	72	408	531
Interest expenditure on deposits of non-financial institutions and other customers	599	0	599	108	322	169
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	4 916	3 401	1 515	-28	2120	-577
CREDIT PROVISIONS						
Accrued provisions	1 246	0	1 246			
Reintegrated provisions	289	0	289			
Credit provisions, net	957	0	957			
TRADING PORTFOLIO GAIN/LOSS	-315	-529	214			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1	0	1			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	982	244	738			
NON-INTEREST EXPENDITURE	1 987	0	1 987			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 640	3 116	-476			
FOREX REVALUATION GAIN/LOSS	-143	0	-143			
EXTRAORDINARY GAIN/LOSS	-2	0	-2			
TAX	487	0	487			
PROFIT/LOSS, NET	2 008	3 116	-1 108			



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 78 of 13 March 1995 of the BNB Governing Council. License updated under § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks. Order No. 100-00565 of 22 December 1999.
Legal registration	Resolution of 6 March 1996 of the Sofia City Court, entered in the Commercial Register, company file No. 100924 of 1995, lot No. 30385, vol. 348, p. 176.
Address of the branch	96 Rakovski Str., Sofia 1000 tel. 02/981 50 10; 980 29 96 Website: www.nbg.gr

Management

Moissis Romanidis-Kyriakidis – Governor

Donka Yordanova Popovska – Deputy Governor

Shareholders (shares over 10%)

A branch of the National Bank of Greece, Athens

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	40 153	0	40 153	12 509	2 800	24 844
Claims on financial institutions, net	17 685	2 428	15 257	0	1 823	13 434
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	12	0	12	12	0	0
Investment portfolio	0	0	0	0	0	0
Loans to non-financial institutions and other customers, net	362 753	0	362 753	47 307	298 578	16 868
Loans to budget	0	0	0	0	0	0
Commercial loans	349 570	0	349 570	43 244	289 500	16 826
Commercial real estate and construction loans	198 726	0	198 726	27 680	160 062	10 984
Other commercial loans	150 844	0	150 844	15 564	129 438	5 842
Agricultural loans	0	0	0	0	0	0
Consumer loans	3 748	0	3 748	2 796	934	18
Housing mortgage loans to individuals	13 676	0	13 676	1 913	11 557	206
Other loans	2	0	2	2	0	0
Loans to non-financial institutions and other customers, total	366 996	0	366 996	47 955	301 991	17 050
Less: specific provisions	4 243	0	4 243	648	3 413	182
Assets for resale	0	0	0	0	0	0
Other assets, net	675	0	675	615	50	10
Intangible assets	2 534	0	2 534	2 534	0	0
Premises and other fixed assets	2 565	0	2 565	2 565	0	0
Assets, total	426 377	2 428	423 949	65 542	303 251	55 156
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	297 828	259 880	37 948	14 574	14 751	8 623
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	291 254	259 880	31 374	8 087	14 670	8 617
Deposits of other financial institutions	6 574	0	6 574	6 487	81	6
Deposits of non-financial institutions and other customers	111 982	0	111 982	34 824	60 517	16 641
Demand deposits	48 390	0	48 390	21 736	23 372	3 282
Time deposits	44 883	0	44 883	10 167	24 332	10 384
Savings deposits	18 709	0	18 709	2 921	12 813	2 975
Deposits, total	409 810	259 880	149 930	49 398	75 268	25 264
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	6 201	2 817	3 384	1 790	851	743
Liabilities, total	416 011	262 697	153 314	51 188	76 119	26 007
Reserves and financial result, total	10 366	3 338	7 028	7 028		
Reserves	3 338	3 338	0	0		
Profit/loss, current year	7 028	0	7 028	7 028		
Liabilities, reserves, and financial result, total	426 377	266 035	160 342	58 216	76 119	26 007
Memo: credit substitutes and other off-balance sheet commitments	102 010	2 525	99 485	32 221	57 298	9 966



PIRAEUS BANK, SOFIA BRANCH

INCOME STATEMENT
(December 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	18 166	272	17 894	3 472	12599	1823
Interest income from claims on financial institutions	337	272	65	4	42	19
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	17 829	0	17 829	3 468	12557	1804
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	6 270	3 312	2 958	843	1521	594
Interest expenditure on deposits of financial institutions	4 882	3 312	1 570	459	871	240
Interest expenditure on deposits of non-financial institutions and other customers	1 388	0	1 388	384	650	354
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	11 896	-3 040	14 936	2 629	11078	1229
CREDIT PROVISIONS						
Accrued provisions	1 980	0	1 980			
Reintegrated provisions	76	0	76			
Credit provisions, net	1 904	0	1 904			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	5 728	327	5 401			
NON-INTEREST EXPENDITURE	7 239	0	7 239			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	8 481	-2 713	11 194			
FOREX REVALUATION GAIN/LOSS	282	42	240			
EXTRAORDINARY GAIN/LOSS	-31	0	-31			
TAX	1 704	0	1 704			
PROFIT/LOSS, NET	7 028	-2 671	9 699			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	By Resolution No. 80 of 18 March 1993 the BNB Governing Council granted a license to <i>Xiosbank, Athens</i> , to conduct bank transactions in Sofia under Article 1, para. 2 of the Law on Banks and Credit Activity. License updated under § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks by Order No. 100-00562 of 22 December 1999. By Resolution No. 11 of 15 February 2001 of the Sofia City Court the change in the branch name was entered in the Commercial Register, vol. 133, p. 82, lot No. 8939: Xiosbank, Sofia branch, is renamed to Piraeus Bank, Sofia branch, due to effected merger of Xiosbank, Athens, Greece, and Piraeus Bank, Athens, Greece.
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Legal registration	Resolution of the Sofia City Court of 27 April 1993, lot No. 8931, vol. 133, reg. I, p. 52.
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Address of the branch	3 Vitosha Blvd., Sofia 1000 tel.02/980 89 03; 980 56 54 Website: www.piraeus.gr
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Management

Athanasios Aristeidis Koutsopoulos

Georgios Aristopenis Haralampakis

Margarita Dobрева Petrova-Karidi

Zhasmina Stoilova Uzunova

Silva Videnova Nakova

Management Board	Piraeus Bank, Sofia Branch, is managed jointly by each two of the four authorized governors: Athanasios Aristeidis Koutsopoulos Georgios Aristopenis Haralampakis Margarita Dobрева Petrova-Karidi Zhasmina Stoilova Uzunova Silva Videnova Nakova
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Shareholders
(shares over 10%)

A branch of Piraeus Bank, Athens



ProCredit Bank

PROCREDIT BANK

144

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	30 196	20 726	1 856	7 614
Claims on financial institutions, net	47 134	1 235	35 390	10 509
Claims under repurchase agreements	0	0	0	0
Trading portfolio	8 363	0	7 632	731
Investment portfolio	37	37	0	0
Loans to non-financial institutions and other customers, net	253 222	124 334	125 407	3 481
Loans to budget	0	0	0	0
Commercial loans	233 603	111 076	119 124	3 403
Commercial real estate and construction loans	24 999	2 325	21 801	873
Other commercial loans	208 604	108 751	97 323	2 530
Agricultural loans	2 471	2 464	7	0
Consumer loans	12 631	12 329	292	10
Housing mortgage loans to individuals	8 931	1 229	7 614	88
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	257 636	127 098	127 037	3 501
Less: specific provisions	4 414	2 764	1 630	20
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	500	500	0	0
Other assets, net	709	600	62	47
Intangible assets	1 443	1 443	0	0
Premises and other fixed assets	5 158	5 158	0	0
Assets, total	346 762	154 033	170 347	22 382
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	31 435	24 053	4 873	2 509
Demand deposits of banks	1 272	15	888	369
Time deposits of banks	20 498	14 446	3 912	2 140
Deposits of other financial institutions	9 665	9 592	73	0
Deposits of non-financial institutions and other customers	136 736	82 025	39 253	15 458
Demand deposits	47 408	36 928	9 445	1 035
Time deposits	88 269	44 769	29 254	14 246
Savings deposits	1 059	328	554	177
Deposits, total	168 171	106 078	44 126	17 967
Borrowings under repurchase agreements	3 283	3 283	0	0
Short-term borrowings	1 000	0	1 000	0
Long-term borrowings	127 287	28 664	94 284	4 339
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	3 743	1 826	1 453	464
Liabilities, total	303 484	139 851	140 863	22 770
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	43 278	43 278		
Shareholder capital	34 500	34 500		
Reserves	1 961	1 961		
Profit/loss, current year	6 817	6 817		
Liabilities, minority interest, and capital, total	346 762	183 129	140 863	22 770
Memo: credit substitutes and other off-balance sheet commitments	25 612	12 821	10 723	2 068



INCOME STATEMENT
(December 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	34 133	19 017	14 145	971
Interest income from claims on financial institutions	987	97	612	278
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	487	0	436	51
Interest income from investment portfolio	0	0	0	0
Interest income from loans	32 659	18 920	13 097	642
Dividend income	0	0	0	0
INTEREST EXPENDITURE	9 552	4 692	4 359	501
Interest expenditure on deposits of financial institutions	1 173	970	151	52
Interest expenditure on deposits of non-financial institutions and other customers	2 612	1 697	587	328
Interest expenditure on borrowings under repurchase agreements	169	169	0	0
Interest expenditure on borrowings	5 598	1 856	3 621	121
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	24 581	14 325	9 786	470
CREDIT PROVISIONS				
Accrued provisions	7 619			
Reintegrated provisions	4 534			
Credit provisions, net	3 085			
TRADING PORTFOLIO GAIN/LOSS	297			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	4 553			
NON-INTEREST EXPENDITURE	17 958			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	8 388			
FOREX REVALUATION GAIN/LOSS	44			
EXTRAORDINARY GAIN/LOSS	42			
TAX	1 657			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	6 817			


ProCredit Bank
PROCREDIT BANK
STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Order No. RD 22-442 of 25 September 2001
Legal registration	No. 64 228 , vol. 733, reg. I, p. 116 on company file No. 9478 of the Sofia City Court of 2001
Address of the head office	131 Hristo Botev Blvd., Sofia 1233 tel. 02/921 71 00; 921 71 41 Website: www.procreditbank.bg
Management	
Supervisory Board	Klaus-Peter Zeitingner – Chairman
	Judith Brandsma – Deputy Chairman
	Christoph Freytag
	Helmut Toellner
	Hanns Martin Hagen
Management Board	Susanne Decker – Chairman
	Kai Ilm
	Petar Slavchev Slavov
	Emilia Hristova Tsareva
Shareholders (shares over 10%)	
	IMI – Internationale Micro Investitionen AG – 20.8%
	European Bank for Reconstruction and Development – 20%
	DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH – 20%
	Commerzbank AG – 20%
	International Financial Corporation – 19.2%



RAIFFEISENBANK, BULGARIA

147

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	247 181	173 725	6 867	66 589
Claims on financial institutions, net	199 245	19 261	93 940	86 044
Claims under repurchase agreements	4 159	2 652	891	616
Trading portfolio	533 200	31 881	482 148	19 171
Investment portfolio	30 087	7 249	14 462	8 376
Loans to non-financial institutions and other customers, net	971 767	224 402	685 392	61 973
Loans to budget	0	0	0	0
Commercial loans	888 001	151 295	671 535	65 171
Commercial real estate and construction loans	167 623	17 476	145 250	4 897
Other commercial loans	720 378	133 819	526 285	60 274
Agricultural loans	14 727	2 613	11 342	772
Consumer loans	76 615	74 483	2 078	54
Housing mortgage loans to individuals	25 509	792	22 768	1 949
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	1 004 852	229 183	707 723	67 946
Less: specific provisions	33 085	4 781	22 331	5 973
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	540	540	0	0
Other assets, net	2 981	1 007	1 331	643
Intangible assets	4 475	4 475	0	0
Premises and other fixed assets	11 997	11 997	0	0
Assets, total	2 005 632	477 189	1 285 031	243 412
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	194 540	40 006	55 370	99 164
Demand deposits of banks	21 418	2 593	18 759	66
Time deposits of banks	152 057	26 079	27 640	98 338
Deposits of other financial institutions	21 065	11 334	8 971	760
Deposits of non-financial institutions and other customers	1 304 158	329 198	817 661	157 299
Demand deposits	986 525	247 444	665 047	74 034
Time deposits	317 633	81 754	152 614	83 265
Savings deposits	0	0	0	0
Deposits, total	1 498 698	369 204	873 031	256 463
Borrowings under repurchase agreements	6 948	0	6 948	0
Short-term borrowings	0	0	0	0
Long-term borrowings	308 616	1 074	261 444	46 098
Subordinated term debt and debt/equity (hybrid) instruments	41 072	0	41 072	0
Other liabilities	29 654	15 042	10 094	4 518
Liabilities, total	1 884 988	385 320	1 192 589	307 079
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	120 644	120 644		
Shareholder capital	65 595	65 595		
Reserves	30 116	30 116		
Profit/loss, current year	24 933	24 933		
Liabilities, minority interest, and capital, total	2 005 632	505 964	1 192 589	307 079
Memo: credit substitutes and other off-balance sheet commitments	258 641	57 413	158 849	42 379



INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	73 269	23 382	43 539	6 348
Interest income from claims on financial institutions	2 014	370	788	856
Interest income from claims under repurchase agreements	125	33	28	64
Interest income from trading portfolio	5 245	5 245	0	0
Interest income from investment portfolio	1 589	1 589	0	0
Interest income from loans	64 296	16 145	42 723	5 428
Dividend income	0	0	0	0
INTEREST EXPENDITURE	19 364	4 378	10 877	4 109
Interest expenditure on deposits of financial institutions	1 896	628	877	391
Interest expenditure on deposits of non-financial institutions and other customers	7 866	3 601	3 045	1 220
Interest expenditure on borrowings under repurchase agreements	336	98	141	97
Interest expenditure on borrowings	7 431	51	4 979	2 401
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 835	0	1 835	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	53 905	19 004	32 662	2 239
CREDIT PROVISIONS				
Accrued provisions	25 231			
Reintegrated provisions	11 219			
Credit provisions, net	14 012			
TRADING PORTFOLIO GAIN/LOSS	2 117			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	24 111			
NON-INTEREST EXPENDITURE	35 671			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	30 450			
FOREX REVALUATION GAIN/LOSS	571			
EXTRAORDINARY GAIN/LOSS	-47			
TAX	6 041			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	24 933			



RAIFFEISENBANK, BULGARIA

149

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution No. 198 of 16 June 1994 of the BNB Governing Council, updated by Order No. 100-00497 of the BNB Governor dated 18 November 1999
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Legal registration	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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Address of the head office	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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Tsenka Kalcheva Petkova – Executive Director

Evelina Miltenova Georgieva – Executive Director

Shareholders (shares over 10%)

Raiffeisen International Bank-Holding AG – 100%



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	66 786	31 444	5 259	30 083
Claims on financial institutions, net	104 497	9 136	18 777	76 584
Claims under repurchase agreements	0	0	0	0
Trading portfolio	27 973	20 884	907	6 182
Investment portfolio	272	268	4	0
Loans to non-financial institutions and other customers, net	534 415	346 662	167 742	20 011
Loans to budget	44	44	0	0
Commercial loans	312 660	118 108	166 677	27 875
Commercial real estate and construction loans	0	0	0	0
Other commercial loans	312 660	118 108	166 677	27 875
Agricultural loans	5 560	1 013	4 546	1
Consumer loans	219 660	219 655	4	1
Housing mortgage loans to individuals	13 019	10 717	1 344	958
Other loans	5 421	5 042	135	244
Loans to non-financial institutions and other customers, total	556 364	354 579	172 706	29 079
Less: specific provisions	21 949	7 917	4 964	9 068
Assets for resale	579	579	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 928	1 305	348	275
Intangible assets	549	549	0	0
Premises and other fixed assets	30 833	30 833	0	0
Assets, total	767 832	441 660	193 037	133 135
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	51 876	51 532	341	3
Demand deposits of banks	5	5	0	0
Time deposits of banks	44 492	44 492	0	0
Deposits of other financial institutions	7 379	7 035	341	3
Deposits of non-financial institutions and other customers	592 970	283 135	138 709	171 126
Demand deposits	200 191	160 783	23 004	16 404
Time deposits	234 063	97 309	65 770	70 984
Savings deposits	158 716	25 043	49 935	83 738
Deposits, total	644 846	334 667	139 050	171 129
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	15	15	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	14 620	11 050	1 281	2 289
Liabilities, total	659 481	345 732	140 331	173 418
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	108 351	108 351		
Shareholder capital	28 530	28 530		
Reserves	57 717	57 717		
Profit/loss, current year	22 104	22 104		
Liabilities, minority interest, and capital, total	767 832	454 083	140 331	173 418
Memo: credit substitutes and other off-balance sheet commitments	104 998	61 895	32 864	10 239



INCOME STATEMENT

(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	54 126	41 977	9 342	2 807
Interest income from claims on financial institutions	1 964	6	288	1 670
Interest income from claims under repurchase agreements	1	1	0	0
Interest income from trading portfolio	987	987	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	51 051	40 860	9 054	1 137
Dividend income	123	123	0	0
INTEREST EXPENDITURE	9 868	7 431	1 451	986
Interest expenditure on deposits of financial institutions	1 219	1 219	0	0
Interest expenditure on deposits of non-financial institutions and other customers	8 646	6 209	1 451	986
Interest expenditure on borrowings under repurchase agreements	2	2	0	0
Interest expenditure on borrowings	1	1	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	44 258	34 546	7 891	1 821
CREDIT PROVISIONS				
Accrued provisions	15 454			
Reintegrated provisions	10 635			
Credit provisions, net	4 819			
TRADING PORTFOLIO GAIN/LOSS	1 118			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	89			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	13 874			
NON-INTEREST EXPENDITURE	32 294			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	22 226			
FOREX REVALUATION GAIN/LOSS	5 108			
EXTRAORDINARY GAIN/LOSS	0			
TAX	5 230			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	22 104			

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

License granted by the BNB	License No. 00246 of 4 June 1993, updated in accordance with the Law on Banks by Order No. 100-00490 of the BNB Governor dated 17 November 1999
Legal registration	Resolution No. 4024 of 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.
Address of the head office	92 Vladislav Varnenchik Blvd., Varna 9000 tel. 052/686 100; 02/937 04 76 Website: www.sgexpressbank.bg
Management	
Supervisory Board	Jacques Tournebize – Chairman
	Roger Bernard Servonet – Deputy Chairman
	Jean-Louis Mattei
	Andre-Marc Prudent
Management Board	Sandy Gillio – Chairman and Chief Executive Officer
	Philippe Ives Victor Lame – Deputy Chairman and Executive Director
	Krassimir Georgiev Zhilov – Executive Director
	Maria Stoyanova Dobrev
	Zhivka Stoyanova Sarachinova
Shareholders (shares over 10%)	Elenka Petrova Bakalova
	Societe Generale, Paris – 97.95%



T. C. ZIRAAT BANK, SOFIA BRANCH

153

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	1 450	0	1 450	658	675	117
Claims on financial institutions, net	15 383	1 613	13 770	801	12 946	23
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	22 947	0	22 947	0	19 280	3 667
Loans to non-financial institutions and other customers, net	541	0	541	313	53	175
Loans to budget	0	0	0	0	0	0
Commercial loans	383	0	383	225	0	158
Commercial real estate and construction loans	0	0	0	0	0	0
Other commercial loans	383	0	383	225	0	158
Agricultural loans	0	0	0	0	0	0
Consumer loans	159	0	159	89	53	17
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	0	0	0	0	0	0
Loans to non-financial institutions and other customers, total	542	0	542	314	53	175
Less: specific provisions	1	0	1	1	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	31	0	31	29	2	0
Intangible assets	418	0	418	418	0	0
Premises and other fixed assets	87	0	87	87	0	0
Assets, total	40 857	1 613	39 244	2 306	32 956	3 982
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	359	359	0	0	0	0
Demand deposits of banks	359	359	0	0	0	0
Time deposits of banks	0	0	0	0	0	0
Deposits of other financial institutions	0	0	0	0	0	0
Deposits of non-financial institutions and other customers	12 923	0	12 923	1 752	6 876	4 295
Demand deposits	8 851	0	8 851	1 670	5 785	1 396
Time deposits	4 072	0	4 072	82	1 091	2 899
Savings deposits	0	0	0	0	0	0
Deposits, total	13 282	359	12 923	1 752	6 876	4 295
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	220	0	220	126	80	14
Liabilities, total	13 502	359	13 143	1 878	6 956	4 309
Reserves and financial result, total	27 355	26 635	720	720		
Reserves	26 635	26 635	0	0		
Profit/loss, current year	720	0	720	720		
Liabilities, reserves, and financial result, total	40 857	26 994	13 863	2 598	6 956	4 309
Memo: credit substitutes and other off-balance sheet commitments	188	0	188	84	92	12



T. C. ZIRAAT BANK, SOFIA BRANCH

154

Commercial Banks in Bulgaria

INCOME STATEMENT (December 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	1 807	17	1 790	85	1407	298
Interest income from claims on financial institutions	271	17	254	9	242	3
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	1431	0	1431	0	1156	275
Interest income from loans	105	0	105	76	9	20
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	147	0	147	24	47	76
Interest expenditure on deposits of financial institutions	0	0	0	0	0	0
Interest expenditure on deposits of non-financial institutions and other customers	147	0	147	24	47	76
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 660	17	1 643	61	1360	222
CREDIT PROVISIONS						
Accrued provisions	0	0	0			
Reintegrated provisions	217	0	217			
Credit provisions, net	-217	0	-217			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	157	0	157			
NON-INTEREST EXPENDITURE	1 134	0	1 134			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	900	17	883			
FOREX REVALUATION GAIN/LOSS	-2	0	-2			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	178	0	178			
PROFIT/LOSS, NET	720	17	703			



T. C. ZIRAAT BANK, SOFIA BRANCH

155

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Order No. 100-000218 of 26 June 1998 of the BNB Governor. By Order No. RD 22-512 of 19 October 2000 changes were made in item 6 on transactions under Article 54, para. 1 of the Law on Public Offering of Securities and item 9 was repealed; Item 6 was repealed by Order No. RD 22-458 of 2 October 2001 of the BNB Governor.
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Legal registration	Company file No. 8801 of 1998 of the Sofia City Court, lot No. 863, vol. 15, p. 173
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Address of the branch	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 – 100%



TEXIM PRIVATE ENTREPRENEURIAL BANK

156

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	(BGN 000)		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	2 027	1 065	200	762
Claims on financial institutions, net	8 516	1 555	2 117	4 844
Claims under repurchase agreements	0	0	0	0
Trading portfolio	620	620	0	0
Investment portfolio	46	46	0	0
Loans to non-financial institutions and other customers, net	18 818	5 479	11 213	2 126
Loans to budget	0	0	0	0
Commercial loans	14 069	4 597	7 420	2 052
Commercial real estate and construction loans	4 345	577	2 924	844
Other commercial loans	9 724	4 020	4 496	1 208
Agricultural loans	257	234	23	0
Consumer loans	1 847	423	1 394	30
Housing mortgage loans to individuals	330	1	282	47
Other loans	2 478	354	2 117	7
Loans to non-financial institutions and other customers, total	18 981	5 609	11 236	2 136
Less: specific provisions	163	130	23	10
Assets for resale	567	567	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 596	1 586	1	9
Intangible assets	161	161	0	0
Premises and other fixed assets	5 709	5 709	0	0
Assets, total	38 060	16 788	13 531	7 741
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	19	10	9	0
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	19	10	9	0
Deposits of non-financial institutions and other customers	14 649	7 202	3 265	4 182
Demand deposits	6 148	4 401	547	1 200
Time deposits	7 574	2 294	2 473	2 807
Savings deposits	927	507	245	175
Deposits, total	14 668	7 212	3 274	4 182
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	7 103	3 118	3 985	0
Subordinated term debt and debt/equity (hybrid) instruments	1 234	0	706	528
Other liabilities	1 112	1 058	53	1
Liabilities, total	24 117	11 388	8 018	4 711
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	13 943	13 943		
Shareholder capital	10 000	10 000		
Reserves	3 586	3 586		
Profit/loss, current year	357	357		
Liabilities, minority interest, and capital, total	38 060	25 331	8 018	4 711
Memo: credit substitutes and other off-balance sheet commitments	695	321	15	359



TEXIM PRIVATE ENTREPRENEURIAL BANK

157

INCOME STATEMENT (December 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	2 460	580	1 068	812
Interest income from claims on financial institutions	127	28	57	42
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	21	21	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	2 312	531	1 011	770
Dividend income	0	0	0	0
INTEREST EXPENDITURE	435	128	182	125
Interest expenditure on deposits of financial institutions	22	22	0	0
Interest expenditure on deposits of non-financial institutions and other customers	223	58	70	95
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	122	48	74	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	68	0	38	30
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 025	452	886	687
CREDIT PROVISIONS				
Accrued provisions	612			
Reintegrated provisions	592			
Credit provisions, net	20			
TRADING PORTFOLIO GAIN/LOSS	-13			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	1 365			
NON-INTEREST EXPENDITURE	2 768			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	589			
FOREX REVALUATION GAIN/LOSS	-232			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	357			



TEXIM PRIVATE ENTREPRENEURIAL BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Protocol Resolution No. 243 of 4 March 1992 of the BNB Governing Council, Resolution No. 248 of 11 April 1997 of the BNB Governing Council. License updated by Order No. 100-00570 of the BNB Governor dated 23 December 1999.
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Legal registration	Company file No. 24103 of the Sofia City Court of 1992, lot No. 4542, vol. 89, p. 180
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Address of the head office	107 Knyaginya Maria-Luiza Blvd., Sofia 1202 tel. 02/9359 300; 9359 301 Website: www.teximbank.bg
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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

Roumen Emilov Vasilev

Shareholders

(shares over 10%)

Paton Anstalt – 27.33%

Marieta Georgieva Naidenova – 15.24%

Pavlina Georgieva Naidenova – 15.09%



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	4 259	2 608	263	1 388
Claims on financial institutions, net	11 042	1	8 025	3 016
Claims under repurchase agreements	0	0	0	0
Trading portfolio	8 311	6 202	2 109	0
Investment portfolio	11	10	1	0
Loans to non-financial institutions and other customers, net	25 392	11 633	11 684	2 075
Loans to budget	0	0	0	0
Commercial loans	19 764	6 847	11 381	1 536
Commercial real estate and construction loans	1 992	733	1 060	199
Other commercial loans	17 772	6 114	10 321	1 337
Agricultural loans	5 614	5 017	0	597
Consumer loans	810	316	462	32
Housing mortgage loans to individuals	182	127	55	0
Other loans	311	274	0	37
Loans to non-financial institutions and other customers, total	26 681	12 581	11 898	2 202
Less: specific provisions	1 289	948	214	127
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	59	59	0	0
Intangible assets	137	137	0	0
Premises and other fixed assets	2 332	2 332	0	0
Assets, total	51 543	22 982	22 082	6 479
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	1 287	753	390	144
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	1 287	753	390	144
Deposits of non-financial institutions and other customers	29 301	8 781	5 728	14 792
Demand deposits	11 489	5 599	4 329	1 561
Time deposits	17 812	3 182	1 399	13 231
Savings deposits	0	0	0	0
Deposits, total	30 588	9 534	6 118	14 936
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	6 463	6 463	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	996	557	339	100
Liabilities, total	38 047	16 554	6 457	15 036
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	13 496	13 496		
Shareholder capital	30 000	30 000		
Reserves	-17 706	-17 706		
Profit/loss, current year	1 202	1 202		
Liabilities, minority interest, and capital, total	51 543	30 050	6 457	15 036
Memo: credit substitutes and other off-balance sheet commitments	18 031	16 270	1 333	428



TOKUDA BANK

160

Commercial Banks in Bulgaria

INCOME STATEMENT
(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 014	1 807	1 563	644
Interest income from claims on financial institutions	152	11	97	44
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	919	546	230	143
Interest income from investment portfolio	0	0	0	0
Interest income from loans	2 942	1 249	1 236	457
Dividend income	1	1	0	0
INTEREST EXPENDITURE	1 095	276	56	763
Interest expenditure on deposits of financial institutions	9	5	2	2
Interest expenditure on deposits of non-financial institutions and other customers	975	160	54	761
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	111	111	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 919	1 531	1 507	-119
CREDIT PROVISIONS				
Accrued provisions	1 125			
Reintegrated provisions	1 373			
Credit provisions, net	-248			
TRADING PORTFOLIO GAIN/LOSS	710			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	869			
NON-INTEREST EXPENDITURE	3 541			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 205			
FOREX REVALUATION GAIN/LOSS	-3			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 202			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

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

BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	24 296	17 880	2 055	4 361
Claims on financial institutions, net	14 515	67	7 533	6 915
Claims under repurchase agreements	0	0	0	0
Trading portfolio	19 567	14 937	2 929	1 701
Investment portfolio	1 299	1 297	2	0
Loans to non-financial institutions and other customers, net	132 852	89 479	34 141	9 232
Loans to budget	1 697	1 697	0	0
Commercial loans	93 508	54 278	28 039	11 191
Commercial real estate and construction loans	20 744	6 755	13 386	603
Other commercial loans	72 764	47 523	14 653	10 588
Agricultural loans	11 631	11 631	0	0
Consumer loans	1 831	1 763	68	0
Housing mortgage loans to individuals	1 077	219	858	0
Other loans	28 738	21 393	5 176	2 169
Loans to non-financial institutions and other customers, total	138 482	90 981	34 141	13 360
Less: specific provisions	5 630	1 502	0	4 128
Assets for resale	250	250	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	3 549	2 948	320	281
Intangible assets	168	168	0	0
Premises and other fixed assets	12 593	12 593	0	0
Assets, total	209 089	139 619	46 980	22 490
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	956	906	3	47
Demand deposits of banks	59	30	0	29
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	897	876	3	18
Deposits of non-financial institutions and other customers	147 176	82 692	41 970	22 514
Demand deposits	90 385	69 760	16 532	4 093
Time deposits	46 822	9 102	21 489	16 231
Savings deposits	9 969	3 830	3 949	2 190
Deposits, total	148 132	83 598	41 973	22 561
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	10 162	1 017	7 255	1 890
Long-term borrowings	14 437	14 437	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	6 931	906	4 593	1 432
Liabilities, total	179 662	99 958	53 821	25 883
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	29 427	29 427		
Shareholder capital	20 050	20 050		
Reserves	5 337	5 337		
Profit/loss, current year	4 040	4 040		
Liabilities, minority interest, and capital, total	209 089	129 385	53 821	25 883
Memo: credit substitutes and other off-balance sheet commitments	62 930	49 257	10 224	3 449

* Former First East International Bank.

INCOME STATEMENT
 (December 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	12 505	9 307	2 296	902
Interest income from claims on financial institutions	120	3	71	46
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	814	642	147	25
Interest income from investment portfolio	0	0	0	0
Interest income from loans	11 571	8 662	2 078	831
Dividend income	0	0	0	0
INTEREST EXPENDITURE	2 908	1 101	1 018	789
Interest expenditure on deposits of financial institutions	1	1	0	0
Interest expenditure on deposits of non-financial institutions and other customers	2 907	1 100	1 018	789
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	9 597	8 206	1 278	113
CREDIT PROVISIONS				
Accrued provisions	4 072			
Reintegrated provisions	1 041			
Credit provisions, net	3 031			
TRADING PORTFOLIO GAIN/LOSS	859			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	464			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	6 009			
NON-INTEREST EXPENDITURE	10 602			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 296			
FOREX REVALUATION GAIN/LOSS	149			
EXTRAORDINARY GAIN/LOSS	595			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	4 040			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Protocol No. 42 of the BNB Governing Council dated 25 October 1989. License updated under § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks, Order No. 100-00492 of the BNB Governor dated 17 November 1999.
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Legal registration	Resolution of the Sofia City Court of 6 May 1991, company file No. 2367
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Address of the head office	81–83 Todor Alexandrov Blvd., Sofia 1303 tel. 02/812 01 11; 920 43 03 Website: www.feibbank.com
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Management

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

Shareholders
(shares over 10%)

Dynatrade International – 25.51%



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	28 762	10 659	2 265	15 838
Claims on financial institutions, net	67 627	5 285	12 447	49 895
Claims under repurchase agreements	0	0	0	0
Trading portfolio	34 920	10 321	16 542	8 057
Investment portfolio	11 420	9 367	1 478	575
Loans to non-financial institutions and other customers, net	217 985	57 785	139 678	20 522
Loans to budget	250	250	0	0
Commercial loans	205 330	43 345	140 976	21 009
Commercial real estate and construction loans	106 229	5 651	88 599	11 979
Other commercial loans	99 101	37 694	52 377	9 030
Agricultural loans	14 887	14 887	0	0
Consumer loans	5 261	2 194	2 636	431
Housing mortgage loans to individuals	2 106	100	1 915	91
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	227 834	60 776	145 527	21 531
Less: specific provisions	9 849	2 991	5 849	1 009
Assets for resale	400	400	0	0
Investments in unconsolidated subsidiaries and associated companies	1000	1000	0	0
Other assets, net	1 139	1 073	57	9
Intangible assets	1 389	1 389	0	0
Premises and other fixed assets	5 281	5 281	0	0
Assets, total	369 923	102 560	172 467	94 896
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	25 748	10 259	812	14 677
Demand deposits of banks	118	17	0	101
Time deposits of banks	19 576	5 013	0	14 563
Deposits of other financial institutions	6 054	5 229	812	13
Deposits of non-financial institutions and other customers	227 256	88 194	65 810	73 252
Demand deposits	84 676	58 274	12 526	13 876
Time deposits	137 115	29 560	49 828	57 727
Savings deposits	5 465	360	3 456	1 649
Deposits, total	253 004	98 453	66 622	87 929
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	61 742	2 353	52 194	7 195
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	6 390	3 996	1 714	680
Liabilities, total	321 136	104 802	120 530	95 804
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	48 787	48 787		
Shareholder capital	15 412	15 412		
Reserves	27 251	27 251		
Profit/loss, current year	6 124	6 124		
Liabilities, minority interest, and capital, total	369 923	153 589	120 530	95 804
Memo: credit substitutes and other off-balance sheet commitments	41 823	27 859	11 936	2 028



UNIONBANK

166

Commercial Banks in Bulgaria

INCOME STATEMENT
(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	23 703	5 887	13 813	4 003
Interest income from claims on financial institutions	965	151	324	490
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	2 226	466	1 177	583
Interest income from investment portfolio	594	405	165	24
Interest income from loans	19 918	4 865	12 147	2 906
Dividend income	0	0	0	0
INTEREST EXPENDITURE	9 512	1 747	4 431	3 334
Interest expenditure on deposits of financial institutions	411	380	9	22
Interest expenditure on deposits of non-financial institutions and other customers	6 227	1 175	2 212	2 840
Interest expenditure on borrowings under repurchase agreements	114	114	0	0
Interest expenditure on borrowings	2 760	78	2 210	472
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	14 191	4 140	9 382	669
CREDIT PROVISIONS				
Accrued provisions	11 508			
Reintegrated provisions	8 048			
Credit provisions, net	3 460			
TRADING PORTFOLIO GAIN/LOSS	486			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	469			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	11 038			
NON-INTEREST EXPENDITURE	15 407			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	7 317			
FOREX REVALUATION GAIN/LOSS	298			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 491			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	6 124			

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

License granted by the BNB	Protocol Resolution of 20 October 1994 of the BNB Governing Council accompanied by Letter No. 140-00332 of 2 November 1994 and Order No. 100-00494 of 17 November 1999 of the BNB Governor for license update.
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Legal registration	Company file No. 31533 of 1992, lot No. 648, vol. 12, p. 75
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Address of the head office	10-12 Damyan Gruev Str., Sofia 1606 tel. 02/9153 333; 9153 315 Website: www.unionbank.bg
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Management

Supervisory Board	Emanuil Yankov Manolov – Chairman
	Emil Ivanov Ivanov – Deputy Chairman
	Andrew Seton
	Boras, represented by Georgi Nikolov Atanasov

Management Board	Ivan Totev Radev – Chairman and Chief Executive Director
	Anna Ivanova Asparouhova – Deputy Chairman and Executive Director
	Todor Kostadinov Nikolov – Executive Director
	Dorcho Dimitrov Ilchev – Executive Director
	Ivailo Tsvetanov Donchev

Shareholders
(shares over 10%)

Union Group – 21.83%

EBRD – 15%

Boras – 14.14%



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	234 456	126 723	24 645	83 088
Claims on financial institutions, net	220 190	21 785	20 960	177 445
Claims under repurchase agreements	19 973	9 166	3 771	7 036
Trading portfolio	156 761	71 658	28 074	57 029
Investment portfolio	4 297	236	4 061	0
Loans to non-financial institutions and other customers, net	1 470 155	884 293	539 165	46 697
Loans to budget	2 481	2 481	0	0
Commercial loans	819 808	268 819	504 367	46 622
Commercial real estate and construction loans	82 048	20 053	58 710	3 285
Other commercial loans	737 760	248 766	445 657	43 337
Agricultural loans	88 086	53 252	34 591	243
Consumer loans	400 934	400 345	557	32
Housing mortgage loans to individuals	197 175	187 218	9 582	375
Other loans	3 678	3 365	85	228
Loans to non-financial institutions and other customers, total	1 512 162	915 480	549 182	47 500
Less: specific provisions	42 007	31 187	10 017	803
Assets for resale	31	31	0	0
Investments in unconsolidated subsidiaries and associated companies	300	300	0	0
Other assets, net	4 207	4 207	0	0
Intangible assets	22 541	22 541	0	0
Premises and other fixed assets	68 232	68 232	0	0
Assets, total	2 201 143	1 209 172	620 676	371 295
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	85 358	54 245	14 602	16 511
Demand deposits of banks	7 890	2 494	2 196	3 200
Time deposits of banks	52 637	32 377	9 411	10 849
Deposits of other financial institutions	24 831	19 374	2 995	2 462
Deposits of non-financial institutions and other customers	1 696 591	854 017	489 949	352 625
Demand deposits	601 598	476 395	82 830	42 373
Time deposits	658 863	263 583	213 461	181 819
Savings deposits	436 130	114 039	193 658	128 433
Deposits, total	1 781 949	908 262	504 551	369 136
Borrowings under repurchase agreements	600	600	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	74 903	52 994	21 909	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	16 448	16 444	1	3
Liabilities, total	1 873 900	978 300	526 461	369 139
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	327 243	327 243		
Shareholder capital	75 964	75 964		
Reserves	185 391	185 391		
Profit/loss, current year	65 888	65 888		
Liabilities, minority interest, and capital, total	2 201 143	1 305 543	526 461	369 139
Memo: credit substitutes and other off-balance sheet commitments	169 731	64 560	92 544	12 627



UNITED BULGARIAN BANK

169

INCOME STATEMENT (December 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	145 636	102 043	35 619	7 974
Interest income from claims on financial institutions	4 185	643	1 070	2 472
Interest income from claims under repurchase agreements	879	388	491	0
Interest income from trading portfolio	6 063	2 810	1 241	2 012
Interest income from investment portfolio	1 673	291	1 279	103
Interest income from loans	132 836	97 911	31 538	3 387
Dividend income	0	0	0	0
INTEREST EXPENDITURE	20 026	13 850	4 389	1 787
Interest expenditure on deposits of financial institutions	1 122	808	152	162
Interest expenditure on deposits of non-financial institutions and other customers	16 720	10 859	4 236	1 625
Interest expenditure on borrowings under repurchase agreements	61	60	1	0
Interest expenditure on borrowings	2 123	2 123	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	125 610	88 193	31 230	6 187
CREDIT PROVISIONS				
Accrued provisions	43 689			
Reintegrated provisions	24 876			
Credit provisions, net	18 813			
TRADING PORTFOLIO GAIN/LOSS	5 801			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	851			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	59 861			
NON-INTEREST EXPENDITURE	96 191			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	77 119			
FOREX REVALUATION GAIN/LOSS	-2 308			
EXTRAORDINARY GAIN/LOSS	8 042			
TAX	16 965			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	65 888			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Resolution of the BNB Governing Council of 25 February 1991. Updated by Order No. 100-00487 of 17 November 1999.
Legal registration	Entered on company file No. 31848 of the Sofia City Court of 1992, lot No. 376, vol. 8, p. 105
Address of the head office	5 Sv. Sofia Str., Sofia 1000 tel. 02/811 28 00 Website: www.ubb.bg
Management	
Board of Directors	<p>Stilian Petkov Vatev – Chief Executive Director</p> <p>Christos Katsanis – Executive Director</p> <p>Radka Ivanova Toncheva – Executive Director</p> <p>Sally Ann Warren</p> <p>Agis Leopoulos</p> <p>Alexandros Tourkolias</p> <p>Efstratios-Georgios Arapoglou</p> <p>Anthimos Thomopoulos</p> <p>Ioannis Pechlivanidis</p>
Shareholders (shares over 10%)	National Bank of Greece – 99.9%



BALANCE SHEET AS OF 31 DECEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	5 286	2 122	404	2 760
Claims on financial institutions, net	9 836	500	4 870	4 466
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	3 511	516	2 995	0
Loans to non-financial institutions and other customers, net	50 010	18 873	25 637	5 500
Loans to budget	0	0	0	0
Commercial loans	41 108	10 190	25 366	5 552
Commercial real estate and construction loans	14 664	1 003	13 661	0
Other commercial loans	26 444	9 187	11 705	5 552
Agricultural loans	8 782	8 782	0	0
Consumer loans	344	18	326	0
Housing mortgage loans to individuals	247	50	197	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	50 481	19 040	25 889	5 552
Less: specific provisions	471	167	252	52
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	164	105	57	2
Intangible assets	586	586	0	0
Premises and other fixed assets	893	893	0	0
Assets, total	70 286	23 595	33 963	12 728
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	18 846	0	10 886	7 960
Demand deposits of banks	10	0	10	0
Time deposits of banks	18 836	0	10 876	7 960
Deposits of other financial institutions	0	0	0	0
Deposits of non-financial institutions and other customers	19 508	9 904	4 999	4 605
Demand deposits	8 434	2 340	2 566	3 528
Time deposits	11 074	7 564	2 433	1 077
Savings deposits	0	0	0	0
Deposits, total	38 354	9 904	15 885	12 565
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	16 766	10 890	5 876	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	459	171	81	207
Liabilities, total	55 579	20 965	21 842	12 772
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	14 707	14 707		
Shareholder capital	15 800	15 800		
Reserves	-1 506	-1 506		
Profit/loss, current year	413	413		
Liabilities, minority interest, and capital, total	70 286	35 672	21 842	12 772
Memo: credit substitutes and other off-balance sheet commitments	26 873	2 973	14 153	9 747



WestEast Bank

WESTEAST BANK

172

Commercial Banks in Bulgaria

INCOME STATEMENT
(December 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	2 748	814	1 615	319
Interest income from claims on financial institutions	284	22	236	26
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	144	15	126	3
Interest income from loans	2 320	777	1 253	290
Dividend income	0	0	0	0
INTEREST EXPENDITURE	445	219	176	50
Interest expenditure on deposits of financial institutions	232	85	105	42
Interest expenditure on deposits of non-financial institutions and other customers	101	30	63	8
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	112	104	8	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 303	595	1 439	269
CREDIT PROVISIONS				
Accrued provisions	442			
Reintegrated provisions	4			
Credit provisions, net	438			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	52			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	928			
NON-INTEREST EXPENDITURE	2 556			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	289			
FOREX REVALUATION GAIN/LOSS	124			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	413			



WestEast Bank

WESTEAST BANK

173

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 31 DECEMBER 2004

License granted by the BNB	Order No. RD 22-1067 of 13 August 2003 of the BNB Governor entitling the WestEast Bank to conduct bank operations in Bulgaria and abroad.
Legal registration	Resolution of the Sofia City Court No. 1 of 28 August 2003, company file No. 9270 of 2003, lot No. 78318, vol. 927, reg. I, p. 158
Address of the head office	36 Dragan Tsankov Blvd., Sofia 1040 Interpred World Trade Center, Bl. B, No. 105 tel. 02/970 24 10 Website: www.westeastbank.bg

Management

Supervisory Board	Boris Pesjak – Chairman
	Darko Horvat – Deputy Chairman
	Janez Sencar
	Mattias Eckert
	Andrej Hazabent
Management Board	Dusan Valencic – Chairman
	Nabil Khalil Issa – Executive Director
	Georgi Denchov Petrov – Executive Director
Procurator	Safi Said Harb

Shareholders
(shares over 10%)

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

Balance Sheets and Income Statements of Individual Commercial Banks

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