



ANNUAL DISCLOSURE

YEAR 2010

ON CONSOLIDATED BASIS

**FOLLOWING THE REQUIREMENTS OF ORDINANCE 8
FOR CAPITAL ADEQUACY OF CREDIT INSTITUTIONS
/ARTICLE 335 ORDINANCE 8 OF BNB/**

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Reporting Entity

UniCredit Bulbank AD (the Bank) is an universal Bulgarian Bank established upon triple legal merger of Bulbank AD, HVB Bank Biochim AD and Hebros Bank AD. The merger was legally completed on April 27th, 2007 with retroactive effect commencing January 1st, 2007.

UniCredit Bulbank AD possessed a full-scope banking licence for performing commercial banking activities. It is domiciled in the Republic of Bulgaria, with registered address Sofia, 7 “Sveta Nedelya” sq.

UniCredit Bulbank AD has received BBB rating, rated by one of the most respectable agency in the world Standard & Poor’s.

Functional and presentation currency

This document is presented in Bulgarian Lev (BGN) rounded to the nearest thousand. Bulgarian Lev is the functional and reporting currency of UniCredit Bulbank AD.

1. Method of consolidation

This disclosure is prepared on consolidated basis and includes all UniCredit Bulbank’s participations in financial institutions and companies providing auxiliary services where the Bank exercises control or significant influence. All participations, not listed below, are not subject of consolidation in the meaning of the current disclosure.

The applied consolidation methods for the purposes of current disclosure (supervisory purposes) and these applied in the public statements of the Bank, prepared in accordance with the International Financial Reporting Standards are as follow:

	Participation in equity December 31, 2010	Consolidation method for supervisory purposes	Consolidation method for public purposes
UniCredit Factoring EAD	100%	Full consolidation	Full consolidation
Hypovereins Immobilien EOOD	100%	Not consolidated ¹	Full consolidation
UniCredit Consumer Financing AD	49.9%	Equity method	Equity method
UniCredit Leasing AD	24.4%	Equity method	Equity method
Cash Service Company AD	20%	Equity method	Equity method
Pirelli Real Estate Bulgaria AD	25%	Not consolidated ²	Equity method

¹ Bank deducts the participation in Hypovereins Immobilien EOOD from its capital base (own funds).

² Bank deducts the participation in Pirelli Real Estate Bulgaria AD from its capital base (own funds).

2. Policy and procedures for risk management

UniCredit Bulbank AD is exposed to the following risks from its use of financial instruments:

- Market Risks
- Liquidity Risks
- Operational Risks
- Credit Risks

Different types of risks are managed by specialized departments and bodies within the Bank's structure. The applicable policies entirely correspond to the requirements of Risk Management Group Standards as well as all respective requirements set by Bulgarian banking legislation.

a) Market and Liquidity Risk

Market risk management in UniCredit Bulbank AD encompasses all activities in connection with Markets and Investment Banking operations and management of the balance sheet structure.

The collective Bank's body that executes integrated monitoring and managing functions with regard to Market and Liquidity Risk is ALCO (Assets and Liabilities Committee).

b) Operational Risk

The Bank defines as operational the risk of loss due to errors, infringements, interruptions, damages caused by internal processes or personnel or systems or caused by external events.

Operational events are those resulting from inadequate or failed internal processes, personnel and systems or from systemic and other external events: internal or external fraud, employment practices and workplace safety, clients claims, products distribution, fines and penalties due to regulation breaches, damage to Company's physical assets, business disruption and system failures, process management.

Legal and compliance risk is a sub-category of operational risk: it is the risk to earnings from violations or non compliance with laws, rules, regulations, agreements, prescribed practices or ethical standards.

UniCredit Bulbank AD Management Board is responsible for operational risk oversight, also with the support of Audit Committee and UniCredit Bulbank AD Operational Risk Committee.

The Bank has a system for operational risk management with clearly defined responsibilities, including second level of control over the accounting operations. The Operational Risk Management Unit is an independent function in charge in the Bank's structure.

Information for the operational risk events, key risk indicators and scenarios is gathered and maintained within a joined centralized database of UniCredit Group. Internally, this process is operationally defined by internal bank procedure with regard to the process of data collection and assessment of the operational risk within UniCredit Bulbank AD.

During the 2010, UniCredit Bulbank applied at Bank of Italy (as UniCredit Group's Supervisory Authority) to use Advanced Measurement Approach (AMA) for calculating the capital requirements for operational risk and was inspected in detail by BNB. As a result the Bank received authorization from Bank of Italy and BNB to use AMA from the beginning of 2011 and will be the first bank in Bulgaria that will apply this approach.

c) Credit Risk

Credit risk is defined as potential losses arising from not fulfilment of any contractual obligation with regard to issued or originated financial instruments.

The Bank effectively manages the Credit risk inherent to its trading and banking book.

The policy of the Bank related to the credit deals is determined by the principles of conformity with the law, safety, stability, profitability and liquidity.

Main Authority Bodies in the credit process are (from top to down):

- The Supervisory Board
- The Management Board
- The Credit Committee
- The Credit Council
- The Chief Risk Officer
- The Head of "Credit Risk" Department
- The Head of Underwriting Units
- Senior Risk Managers

The Supervisory Board is a collective body, which approves the credit policy and the Rules for lending. The Supervisory Board carries out its activity according to the strategic guidelines determined by the General Meeting of the Shareholders.

The Management Board is a collective body, which defines the guidelines in the credit policy and directions for assuming of a credit risk. The Management Board has the highest operative authority power in the credit process. The Management Board, on proposal of the Chief Risk Officer, approves/terminates the limits of the individual authority bodies.

The Credit Committee is a collective body that carries out the credit policy of the Bank - it manages and controls the entire credit activity in UniCredit Bulbank AD. The Credit Committee carries out its activity according to the internal lending rules and a Statute, approved as per decision of the Management Board of the Bank.

The Credit Council is a collective body with less authority power than the Credit Committee. The Credit Council carries out its activity according to the present rules and a Statute, approved as per decision of the Management Board of the Bank.

The Chief Risk Officer organizes the operative management of the credit process, exercising control for the exact execution of the decisions of the collective authority bodies – Supervisory Board, Management Board, Credit Committee and the Credit Council.

The Head of “Credit Risk” Department delivers his decision on credit deals, which exceed the authorization of the Head of the “Underwriting Units” if they are within his authorization according to the internal lending rules. When the deal exceeds his authorities the Head of “Credit Risk” Department present the application with his opinion for consideration to the Credit Council.

The members of the Management Board, Credit Committee and Credit Council, the executives with managing functions, persons, authorized to represent and oblige the Bank under credit deals, including employees involved in the credit process, do not participate in the negotiations, in the preparation of reports, in the discussions and do not vote decisions under credit deals, under which they or members of their families:

- are parties under the contract with the Bank;
- have substantial commercial, financial or other type of business interest in terms of the deal/ person, who is a party under the contract with the Bank. They are obliged to declare in advance the presence of business interests.

The authorities under credit deals are exercised at full differentiation between the credit and commercial function and notwithstanding the current fulfillment of the approved for the relevant structural unit budget.

Right to take decisions under credit deals have the authorities /bodies/ of the Bank within their relevant applicable limits in accordance with the internal rules. The level of every body is a function of the determined for him level of risk and competences for risk assessment in accordance to his place in the hierarchy of the organizational structure of the Bank.

The Provisioning and Restructuring Committee is a standing specialized internal body responsible for the monitoring, evaluation, classification, and provisioning of risk exposures.

The Credit Monitoring Commission is a collective specialized internal body established for taking decisions, corresponding to the process of monitoring of loans to business, corporate and key clients.

Credit risk monitoring and management is also focused in fulfillment of statutory lending limits set in Law on Banks. Exposure to one client exceeding 10% of the capital base are treated as big exposures and it has to be approved by the Management Board. Maximum amount of an exposure to one client or group of related clients must not exceed 25% of the capital base of the Bank.

In 2010, UniCredit Bulbank applied at Bank of Italy (as UniCredit Group’s Supervisory Authority) to use Foundation Internal Rating Based (F-IBR) Approach for calculating credit risk capital requirements. During the year, the BNB performed detailed and rigorous inspections verifying the fulfillment of regulatory requirements for using the approach. As a result UniCredit Bulbank received authorization from Bank of Italy and BNB to use F-IRB Approach as of 01st of January 2011 and will be the first bank in Bulgaria that will apply this approach.

3. Structure and elements of the capital base

Capital Base (Own Funds) eligible for regulatory purposes include Tier I and Tier II capital as defined by Bulgarian National Bank.

The consolidated Capital base of UniCredit Bulbank AD is disclosed in *Appendix 1*.

Additional information for specific capital positions can be found in the Consolidated Financial Statements of UniCredit Bulbank AD.

4. Capital requirements

UniCredit Bulbank AD applies Standardized Approach for estimation of its Credit, Market and Operational Risk. For preparation of the regular Ordinance 8 reports, the Bank applies Financial Collateral Comprehensive Method for credit risk mitigation where financial collateral is used.

Capital Requirements for Credit Risk, Market Risk and Operational Risk are disclosed in *Appendix 2*.

5. Exposures to counterparty credit risk

Counterparty credit risk arises from exposures due to the following:

- transactions in derivative instruments;
- repurchase agreements;
- securities or commodities lending or borrowing transactions;
- margin lending transactions;
- long settlement transactions

For the purposes of mitigating the counterparty risk and settlement risk, the Bank has approved credit limits.

6. Exposure to credit risk and dilution risk

The carrying amounts of Bank's assets are regularly reviewed to determine whether there is any objective evidence of impairment as follows:

- for loans and receivables – by the end of each month for the purposes of preparing interim financial statements reported to the Bulgarian National Bank and Management;
- for available for sale and held to maturity financial assets – semi-annually based on review performed the Bank and decision approved by ALCO;

- for non-financial assets – by the end of each year for the purposes of preparing annual financial statements.

If any impairment indicators exist, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

Estimating the provisions Management uses estimates provided by specialist in certain areas such as legal and regulatory advisors as well as credit risk specialists. Usually more conservative approach is followed in order to protect the Bank in case of adverse development of uncertain events.

Distribution of the total exposure after provision and without taking into account the effect of credit risk mitigation, broken down by different types of exposure classes is disclosed in the following Appendixes:

- **Appendix 3** – Average amount of the exposures over the period broken down by different types of exposure classes
- **Appendix 4** – The distribution of the exposures by industry, broken down by exposure classes
- **Appendix 5** – The residual maturity breakdown of all the exposures, broken down by exposure classes
- **Appendix 6** – The amount of past due exposures, broken down by exposure classes
- **Appendix 7** – Geographic distribution of the exposures, broken down by exposure classes

7. Information about nominated ECAIs and EIAs under the Standardised Approach for credit risk

Following the requirements of Article 27 of the Ordinance 8, UniCredit Bulbank AD uses Standard & Poor's Agency ratings for calculating risk weights of its asset and off-balance sheet exposures.

The calculation methodology follows strictly the requirements listed in Article 53, Article 54, Article 55 and Article 56 of the Ordinance 8.

Asset Classes where ECAI are used are as follows:

- Claims or contingent claims on central governments or central banks;
- Claims or contingent claims on multilateral development banks;
- Claims or contingent claims on institutions;
- Claims or contingent claims on regional governments or local authorities;
- Short-term claims on institutions and corporates

Distribution of the exposure among Credit Quality, broken down by exposure classes is disclosed in **Appendix 8**.

8. Internal models for market risk

UniCredit Bulbank AD does not apply Internal Models for estimation Market Risk within the reporting cycle of Ordinance 8.

9. Exposure to operational risk

For the purpose of reporting Capital Adequacy in accordance with Ordinance 8 requirements, UniCredit Bulbank AD applies Standardized Approach for estimation its Operational Risk.

10. Equities in the banking book

Equivalent disclosure are made in the Consolidated Financial Statements of UniCredit Bulbank AD.

11. Interest rate risk in the banking book

Equivalent disclosure are made in the Consolidated Financial Statements of UniCredit Bulbank AD.

12. Securitisation

The Bank does not apply securitization for the reported period.

13. Internal Rating Based Approach

The Bank does not apply Internal Rating Based Approach for the reported period.

14. Credit risk mitigation techniques

When granting loans the Bank accepts collaterals as follows:

- Property – all types of real estates and relevant real rights;
- Pledge on movables;
- Pledges of all assets and shares;
- Tangible assets;
- Securities;
- Cash and receivables;
- Precious Metals;
- Surety and Guarantee;
- Other collaterals stipulated in the law

When negotiating the collateral the following general principles should be met:

- **Reality** – existence and perfect documentation;
- **Identity** – the collateral should be clearly concretized;
- **Exclusivity** – the Bank should be the only bearer of the rights over the collaterals or privileged lender;
- **Sufficiency** – the amount of the collateral should be enough to cover (to preliminary defined extent) the debtor's liabilities throughout the whole period of the loan;
- **Liquidity** – the collateral itself should allow the possibility for fast sale.

The obligations regarding the collateral are stipulated in written form with collateral contract.

Accepted collaterals are valued at Market Value. The value of the Properties is determined periodically by an independent registered appraiser.

Within UniCredit Bulbank AD exists Credit Support Unit responsible for supporting the process of real estate financing, where cash flow predominantly originates from renting and/or sales of real estate properties and the loan is being repaid from this cash flow.

UniCredit Bulbank AD uses the following types of collaterals when applying credit risk mitigation techniques in accordance with Ordinance 8:

- Financial collaterals – blocked cash and securities, strictly observing the requirements of Chapter Six *Credit Risk Mitigation* of the Ordinance 8
- Guarantees that meet the requirements of Chapter Six *Credit Risk Mitigation* of the Ordinance 8
- Real Estate Properties that meet the requirements of Article 39 of the Ordinance 8.

The Bank is monitoring the principles for low correlation, legal certainty and all operative requirements.

The Bank does not apply the netting technique for calculation of its risk-weighted assets for the purposes of Ordinance 8.

15. Internal Capital Adequacy and Assessment Process (ICAAP)

In compliance with group definitions and methodologies (ensuring comprehensive ICAAP framework in UniCredit Group), UniCredit Bulbank AD regularly defines (at least once a year) its risk profile (assessment of the material risks relevant for its operations).

The quantified via internal models individual risks are combined in Aggregated Economic Capital, taking into consideration the risk correlation and potential macroeconomic framework fluctuations (via developed stress test methodology).

Assets and Liabilities Committee (ALCO) is the collective body that exercise the management and control functions with regard to ICAAP.

**CAPITAL BASE
STRUCTURE AND ELEMENTS
/AS OF 31.12.2010/**

In thousands of BGN

Capital Base	Total
Share capital	263 911
Statutory reserve	205 500
Retained earnings	1 019 309
Total capital and reserves	1 488 720
<i>Deductions</i>	
Unrealized loss on available-for-sale instruments	(11 955)
Intangible assets	(31 092)
Total deductions	(43 047)
Total Tier I capital	1 445 673
Revaluation reserve on real estate occupied by the Bank	137 368
Subordinated long-term debt	165 072
Total Tier II capital	302 440
Additional deductions from Tier I and Tier II capital	(142 668)
Total Capital base (Own funds)	1 605 445

**CAPITAL REQUIREMENTS
SUMMARY INFORMATION BY EXPOSURE CLASSES
/AS OF 31.12.2010/**

In thousands of BGN

Capital Requirements	Total
Capital requirements for credit risk	
Exposures to:	
Central Governments and Central Banks	6 729
Regional Governments or local authorities	4 644
Administrative bodies and non-commercial undertakings	165
Institutions	16 740
Corporates	407 417
Retail	66 440
Exposures secured on real estate property	49 482
Past due items	11 720
High risk exposures	26
Short-term exposures to institutions and corporates	26 745
Other exposures	21 138
Total capital requirements for credit risk	611 246
Capital requirements for market risk	11 558
Capital requirements for operational risk	82 668
Total capital requirements for credit risk, market risk and operational risk	705 472
Additional capital requirements subject to National Discretions from the Regulator	352 737
Total regulatory capital requirements	1 058 209
Capital Base (Own funds)	1 605 445
<i>there of Tier I</i>	<i>1 374 339</i>
Free equity (own funds)	547 236
Total capital adequacy ratio	18.21%
Tier I ratio	15.58%

**AVERAGE AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY EXPOSURE CLASSES ***
/AS OF 31.12.2010/

In thousands of BGN

Exposure class	ASSETS				OFF-BALANCE SHEET COMMITMENTS				TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning
	Average amount of the exposure	Amount before provisioning	Provision	Amount after provisioning	Average amount of the exposure	Amount before provisioning	Provision	Amount after provisioning			
Administrative bodies and non-commercial undertakings	15	719	59	660	51	2 856	-	2 856	3 575	59	3 516
Central Governments and Central Banks	28 386	1 305 771	-	1 305 771	163	11 728	-	11 728	1 317 499	-	1 317 499
Corporates	1 068	4 651 292	157 504	4 493 788	238	1 360 539	19 650	1 340 889	6 011 831	177 154	5 834 677
Institutions	12 048	325 304	-	325 304	1 312	167 887	655	167 232	493 191	655	492 536
Multilateral Development Banks	4 263	12 790	-	12 790	-	-	-	-	12 790	-	12 790
Regional Governments or local authorities	2 327	53 512	114	53 398	1 380	9 662	-	9 662	63 174	114	63 060
Exposures secured on real estate property	58	1 775 905	28 176	1 747 729	43	69 109	-	69 109	1 845 014	28 176	1 816 838
High risk exposures	54	215	-	215	-	-	-	-	215	-	215
Other exposures	13 884	388 976	-	388 976	-	-	-	-	388 976	-	388 976
Past Due Items	22	629 225	454 909	174 316	-	-	-	-	629 225	454 909	174 316
Retail	8	1 091 280	43 738	1 047 542	3	223 141	-	223 141	1 314 421	43 738	1 270 683
Short-term exposures to institutions and corporates	21 174	1 312 791	-	1 312 791	243	6 075	-	6 075	1 318 866	-	1 318 866
TOTAL	-	11 547 780	684 500	10 863 280	-	1 850 997	20 305	1 830 692	13 398 777	704 805	12 693 972

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES *
/AS OF 31.12.2010/**

In thousands of BGN

Exposure class	ASSETS																TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning
	LOANS AND ADVANCES TO BANKS	LOANS AND ADVANCES TO CUSTOMERS										OTHERS			DEBT SECURITIES				
	Financial services	Retail (Individuals)	Agriculture and forestry	Manufacturing	Construction and Real Estate	Public Administration	Transport and communication	Commerce	Services	Tourism	Financial services	Services	Public Administration	Financial services	Financial services	Public Administration			
Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning			
Administrative bodies and non-commercial undertakings	-	719	-	-	-	-	-	-	-	-	-	-	-	-	-	-	719	59	660
Central Governments and Central Banks	47	-	-	-	-	8 591	-	-	-	-	-	753 917	17 094	-	-	526 122	1 305 771	-	1 305 771
Corporates	-	17 014	101 096	1 402 552	1 025 112	-	237 616	1 290 735	173 783	146 091	166 463	63 918	-	26 912	-	-	4 651 292	157 504	4 493 788
Institutions	311 265	-	-	-	-	-	-	-	-	-	-	-	-	3 796	10 243	-	325 304	-	325 304
Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12 790	-	12 790	-	12 790
Regional Governments or local authorities	-	-	-	-	-	50 662	-	-	-	-	-	-	2 850	-	-	-	53 512	114	53 398
Exposures secured on real estate property	-	1 435 183	6 036	36 241	122 380	-	17 183	128 114	22 565	7 585	618	-	-	-	-	-	1 775 905	28 176	1 747 729
High risk exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215	-	215	-	215
Other exposures	-	-	-	-	-	-	-	-	-	-	-	383 791	-	5 185	-	-	388 976	-	388 976
Past Due Items	-	152 980	10 687	113 094	223 763	-	8 303	97 651	8 220	10 156	4 371	-	-	-	-	-	629 225	454 909	174 316
Retail	10	736 286	31 277	71 011	38 080	-	26 120	152 673	24 965	10 295	445	-	-	118	-	-	1 091 280	43 738	1 047 542
Short-term exposures to institutions and corporates	1 303 658	-	-	-	-	-	-	-	-	-	-	-	-	-	9 133	-	1 312 791	-	1 312 791
TOTAL	1 614 980	2 342 182	149 096	1 622 898	1 409 335	59 253	289 222	1 669 173	229 533	174 127	171 897	1 201 626	19 944	36 011	32 381	526 122	11 547 780	684 500	10 863 280

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES *
/AS OF 31.12.2010/**

In thousands of BGN

Exposure class	OFF-BALANCE SHEET COMMITMENTS											TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning	
	LOANS AND ADVANCES TO CUSTOMERS														LOANS AND ADVANCES TO BANKS
	Retail (Individuals)	Agriculture and forestry	Manufacturing	Construction and Real Estate	Public Administration	Transport and communication	Commerce	Services	Financial services	Tourism	Financial services				
Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning				
Administrative bodies and non-commercial undertakings	2 856	-	-	-	-	-	-	-	-	-	-	-	2 856	-	2 856
Central Governments and Central Banks	-	-	-	-	11 728	-	-	-	-	-	-	-	11 728	-	11 728
Corporates	582	19 556	390 398	209 896	-	55 389	564 434	71 404	46 307	2 573	-	1 360 539	19 650	1 340 889	
Institutions	-	-	-	-	-	-	-	-	-	-	167 887	167 887	655	167 232	
Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Regional Governments or local authorities	-	-	-	-	9 662	-	-	-	-	-	-	9 662	-	9 662	
Exposures secured on real estate property	3 126	1 218	6 966	17 209	-	2 581	31 203	6 306	144	356	-	69 109	-	69 109	
High risk exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Past Due Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Retail	121 355	6 790	17 457	12 408	-	9 625	42 575	10 374	601	1 956	-	223 141	-	223 141	
Short-term exposures to institutions and corporates	-	-	-	-	-	-	-	-	-	-	6 075	6 075	-	6 075	
TOTAL	127 919	27 564	414 821	239 513	21 390	67 595	638 212	88 084	47 052	4 885	173 962	1 850 997	20 305	1 830 692	

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY RESIDUAL MATURITY AND EXPOSURE CLASSES *
/AS OF 31.12.2010/**

In thousands of BGN

Exposure class	Up to 1 month**			From 1 to 3 months**			From 3 months to 1 year**			From 1 to 5 years**			Over 5 years and Maturity not defined**			TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning
	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning			
Administrative bodies and non-commercial undertakings	175	1	174	112	1	111	227	4	223	3 018	53	2 965	43	-	43	3 575	59	3 516
Central Governments and Central Banks	780 648	-	780 648	27 475	-	27 475	15 755	-	15 755	381 314	-	381 314	112 307	-	112 307	1 317 499	-	1 317 499
Corporates	956 447	29 150	927 297	396 899	8 198	388 701	1 415 182	34 494	1 380 688	1 913 166	40 329	1 872 837	1 330 137	64 983	1 265 154	6 011 831	177 154	5 834 677
Institutions	316 324	655	315 669	2 367	-	2 367	115 449	-	115 449	31 628	-	31 628	27 423	-	27 423	493 191	655	492 536
Multilateral Development Banks	-	-	-	-	-	-	-	-	-	12 790	-	12 790	-	-	-	12 790	-	12 790
Regional Governments or local authorities	-	-	-	2 286	5	2 281	8 957	20	8 937	7 581	9	7 572	44 350	80	44 270	63 174	114	63 060
Exposures secured on real estate property	56 904	939	55 965	42 769	1 184	41 585	134 094	1 121	132 973	157 472	5 034	152 438	1 453 775	19 898	1 433 877	1 845 014	28 176	1 816 838
High risk exposures	-	-	-	-	-	-	-	-	-	-	-	-	215	-	215	215	-	215
Other exposures	388 976	-	388 976	-	-	-	-	-	-	-	-	-	-	-	-	388 976	-	388 976
Past Due Items	431 244	338 666	92 578	3 230	1 719	1 511	27 887	18 291	9 596	72 252	47 542	24 710	94 612	48 691	45 921	629 225	454 909	174 316
Retail	146 314	5 078	141 236	66 042	1 258	64 784	252 938	5 561	247 377	335 464	11 606	323 858	513 663	20 235	493 428	1 314 421	43 738	1 270 683
Short-term exposures to institutions and corporates	1 305 958	-	1 305 958	12 658	-	12 658	-	-	-	-	-	-	250	-	250	1 318 866	-	1 318 866
TOTAL	4 382 990	374 489	4 008 501	553 838	12 365	541 473	1 970 489	59 491	1 910 998	2 914 685	104 573	2 810 112	3 576 775	153 887	3 422 888	13 398 777	704 805	12 693 972

* WITHOUT CREDIT RISK MITIGATION EFFECTS

** UP TO THE MATURITY OF THE EXPOSURE

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY DAYS PAST DUE AND EXPOSURE CLASSES *
/AS OF 31.12.2010/**

In thousands of BGN

Exposure class	ASSETS																OFF-BALANCE SHEET COMMITMENTS				TOTAL Amount before provisioning	TOTAL Provision	TOTAL Financial collaterals	TOTAL Guarantees
	UP TO 30 DAYS				FROM 31 TO 90 DAYS				FROM 91 TO 180 DAYS				OVER 181 DAYS				TOTAL							
	Amount before provisioning	Provision	Financial collaterals	Guarantees	Amount before provisioning	Provision	Financial collaterals	Guarantees	Amount before provisioning	Provision	Financial collaterals	Guarantees	Amount before provisioning	Provision	Financial collaterals	Guarantees	Amount before provisioning	Provision	Financial collaterals	Guarantees				
Administrative bodies and non-commercial undertakings	616	8	259	-	58	6	-	-	-	-	-	-	45	45	-	-	2 856	-	2 076	-	3 575	59	2 335	-
Central Governments and Central Banks	1 305 771	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11 728	-	11 326	-	1 317 499	-	11 326	-
Corporates	4 199 636	51 892	28 561	23 991	324 453	30 207	1 002	-	102 479	50 829	-	-	24 724	24 576	-	-	1 360 539	19 650	72 841	36 464	6 011 831	177 154	102 404	60 455
Institutions	325 304	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	167 887	655	310	-	493 191	655	310	-
Multilateral Development Banks	12 790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12 790	-	-	-
Regional Governments or local authorities	53 512	114	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9 662	-	-	-	63 174	114	-	-
Exposures secured on real estate property	1 643 994	12 161	6 706	-	90 175	2 203	353	-	19 688	4 418	-	-	22 048	9 394	1	-	69 109	-	195	-	1 845 014	28 176	7 255	-
High risk exposures	215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215	-	-	-
Other exposures	388 976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	388 976	-	-	-
Past Due Items	-	-	-	-	41	1	-	-	202 768	92 122	30	-	426 416	362 786	255	-	-	-	-	-	629 225	454 909	285	-
Retail	1 035 433	26 133	15 369	7	38 870	3 664	128	-	5 881	2 846	56	-	11 096	11 095	1	-	223 141	-	18 523	122	1 314 421	43 738	34 077	129
Short-term exposures to institutions and corporates	1 312 791	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 075	-	-	-	1 318 866	-	-	-
TOTAL	10 279 038	90 308	50 895	23 998	453 597	36 081	1 483	-	330 816	150 215	86	-	484 329	407 896	257	-	1 850 997	20 305	105 271	36 586	13 398 777	704 805	157 992	60 584

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES *
/AS OF 31.12.2010/**

In thousands of BGN

Exposure class	ASSETS												OFF-BALANCE SHEET COMMITMENTS												TOTAL Amount before provisioning	TOTAL Provision
	AFRICA		ASIA		EUROPE		NORTH AMERICA		AUSTRALIA		SOUTH AMERICA		AFRICA		ASIA		EUROPE		NORTH AMERICA		AUSTRALIA		SOUTH AMERICA			
	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision	Amount before provisioning	Provision		
Administrative bodies and non-commercial	-	-	-	-	719	59	-	-	-	-	-	-	-	-	-	-	2 856	-	-	-	-	-	-	-	3 575	59
Central Governments and Central Banks	-	-	10 978	-	1 294 793	-	-	-	-	-	-	-	-	-	-	-	11 728	-	-	-	-	-	-	-	1 317 499	-
Corporates	-	-	1 305	25	4 644 949	157 479	5 038	-	-	-	-	-	-	-	-	-	1 360 481	19 650	58	-	-	-	-	-	6 011 831	177 154
Institutions	-	-	7 958	-	316 371	-	975	-	-	-	-	-	25	-	917	-	162 342	655	4 603	-	-	-	-	-	493 191	655
Multilateral Development Banks	-	-	-	-	9 839	-	2 951	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12 790	-
Regional Governments or local authorities	-	-	-	-	53 512	114	-	-	-	-	-	-	-	-	-	-	9 662	-	-	-	-	-	-	-	63 174	114
Exposures secured on real estate property	24	-	-	-	1 775 794	28 176	-	-	87	-	-	-	-	-	-	-	69 109	-	-	-	-	-	-	-	1 845 014	28 176
High risk exposures	-	-	-	-	215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215	-
Other exposures	-	-	-	-	388 976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	388 976	-
Past Due Items	6	4	4	4	629 117	454 883	98	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	629 225	454 909
Retail	16	9	68	4	1 091 049	43 724	120	-	5	-	22	1	18	-	139	-	222 942	-	7	-	5	-	30	-	1 314 421	43 738
Short-term exposures to institutions and corporates	-	-	555	-	1 308 303	-	3 716	-	217	-	-	-	-	-	-	-	5 918	-	157	-	-	-	-	-	1 318 866	-
TOTAL	46	13	20 868	33	11 513 637	684 435	12 898	18	309	-	22	1	43	-	1 056	-	1 845 038	20 305	4 825	-	5	-	30	-	13 398 777	704 805

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY CREDIT QUALITY AND EXPOSURE CLASSES ***

/AS OF 31.12.2010/

In thousands of BGN

Exposure class	Level of Credit Quality	ASSETS					OFF-BALANCE SHEET COMMITMENTS					TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning	TOTAL Financial collaterals	TOTAL Guarantees
		Amount before provisioning	Provision	Amount after provisioning	Financial collaterals	Guarantees	Amount before provisioning	Provision	Amount after provisioning	Financial collaterals	Guarantees					
Administrative bodies and non-commercial undertakings	Unrated	719	59	660	259	-	2 856	-	2 856	2 076	-	3 575	59	3 516	2 335	-
Administrative bodies and non-commercial undertakings		719	59	660	259	-	2 856	-	2 856	2 076	-	3 575	59	3 516	2 335	-
Central Governments and Central Banks	1	7 523	-	7 523	-	-	36	-	36	-	-	7 559	-	7 559	-	-
	2	7 400	-	7 400	-	-	-	-	-	-	-	7 400	-	7 400	-	-
	3	510 995	-	510 995	-	-	11 692	-	11 692	11 326	-	522 687	-	522 687	11 326	-
	4	25 936	-	25 936	-	-	-	-	-	-	-	25 936	-	25 936	-	-
	Unrated	753 917	-	753 917	-	-	-	-	-	-	-	753 917	-	753 917	-	-
Central Governments and Central Banks		1 305 771	-	1 305 771	-	-	11 728	-	11 728	11 326	-	1 317 499	-	1 317 499	11 326	-
Corporates	2	5 039	-	5 039	-	-	-	-	-	-	-	5 039	-	5 039	-	-
	Unrated	4 646 253	157 504	4 488 749	29 563	23 991	1 360 539	19 650	1 340 889	72 841	36 464	6 006 792	177 154	5 829 638	102 404	60 455
Corporates		4 651 292	157 504	4 493 788	29 563	23 991	1 360 539	19 650	1 340 889	72 841	36 464	6 011 831	177 154	5 834 677	102 404	60 455
Institutions	1	7 372	-	7 372	-	-	14 326	-	14 326	-	-	21 698	-	21 698	-	-
	2	2 873	-	2 873	-	-	113 608	-	113 608	-	-	116 481	-	116 481	-	-
	3	86	-	86	-	-	9	-	9	-	-	95	-	95	-	-
	4	-	-	-	-	-	17	-	17	-	-	-	-	-	-	-
	Unrated	314 973	-	314 973	-	-	39 927	655	39 272	310	-	354 900	655	354 245	310	-
Institutions		325 304	-	325 304	-	-	167 887	655	167 232	310	-	493 191	655	492 536	310	-
Multilateral Development Banks	N/A	12 790	-	12 790	-	-	-	-	-	-	-	12 790	-	12 790	-	-
Multilateral Development Banks		12 790	-	12 790	-	-	-	-	-	-	-	12 790	-	12 790	-	-
Regional Governments or local authorities	4	2 850	-	2 850	-	-	-	-	-	-	-	2 850	-	2 850	-	-
	Unrated	50 662	114	50 548	-	-	9 662	-	9 662	-	-	60 324	114	60 210	-	-
Regional Governments or local authorities		53 512	114	53 398	-	-	9 662	-	9 662	-	-	63 174	114	63 060	-	-
Exposures secured on real estate property	Unrated	1 775 905	28 176	1 747 729	7 060	-	69 109	-	69 109	195	-	1 845 014	28 176	1 816 838	7 255	-
Exposures secured on real estate property		1 775 905	28 176	1 747 729	7 060	-	69 109	-	69 109	195	-	1 845 014	28 176	1 816 838	7 255	-
High risk exposures	Unrated	215	-	215	-	-	-	-	-	-	-	215	-	215	-	-
High risk exposures		215	-	215	-	-	-	-	-	-	-	215	-	215	-	-
Other exposures	N/A	388 976	-	388 976	-	-	-	-	-	-	-	388 976	-	388 976	-	-
Other exposures		388 976	-	388 976	-	-	-	-	-	-	-	388 976	-	388 976	-	-
Past Due Items	Unrated	629 225	454 909	174 316	285	-	-	-	-	-	-	629 225	454 909	174 316	285	-
Past Due Items		629 225	454 909	174 316	285	-	-	-	-	-	-	629 225	454 909	174 316	285	-
Retail	Unrated	1 091 280	43 738	1 047 542	15 554	7	223 141	-	223 141	18 523	122	1 314 421	43 738	1 270 683	34 077	129
Retail		1 091 280	43 738	1 047 542	15 554	7	223 141	-	223 141	18 523	122	1 314 421	43 738	1 270 683	34 077	129
Short-term exposures to institutions and corporates	1	1 251 338	-	1 251 338	-	-	5 751	-	5 751	-	-	1 257 089	-	1 257 089	-	-
	2	624	-	624	-	-	256	-	256	-	-	880	-	880	-	-
	3	86	-	86	-	-	68	-	68	-	-	154	-	154	-	-
	4	51 610	-	51 610	-	-	-	-	-	-	-	51 610	-	51 610	-	-
	Unrated	9 133	-	9 133	-	-	-	-	-	-	-	9 133	-	9 133	-	-
Short-term exposures to institutions and corporates		1 312 791	-	1 312 791	-	-	6 075	-	6 075	-	-	1 318 866	-	1 318 866	-	-
TOTAL		11 547 780	684 500	10 863 280	52 721	23 998	1 850 997	20 305	1 830 692	105 271	36 586	13 398 777	704 805	12 693 972	157 992	60 584

* WITHOUT CREDIT RISK MITIGATION EFFECTS