



ANNUAL DISCLOSURE
YEAR 2015
ON UNCONSOLIDATED BASIS

**FOLLOWING THE REQUIREMENTS OF REGULATION (EU) No 575/2013
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
/PART EIGHT – DISCLOSURE BY INSTITUTIONS/**

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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 BB+ rating, rated by one of the most respectable agency in the world Standard & Poor’s.

As of 31 December 2015 the Bank considers that there are no current or foreseen material, practical or legal impediment to the prompt transfer of funds or repayment of liabilities among UniCredit Bank Austria AG and UniCredit Bulbank AD.

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 unconsolidated basis. In addition, the Bank is preparing consolidated disclosure.

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
- Credit Risks
- Operational and Reputational 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 and consolidated subsidiaries encompasses all activities in connection with Markets and Investment Banking operations and management of the balance sheet structure.

The collective Bank's body with delegated by MB decision authority for market, liquidity and integrated risks management is ALCO (Assets and Liabilities Committee).

Risk monitoring and measurement in the area of market and liquidity risks, along with trading activities control is performed by Market Risk unit. Prudent market risk management policies and limits are explicitly defined in Market Risk Rule Book and Financial Markets Rule Book, reviewed at least annually. A product introduction process is established, in which risk managers play a decisive role in approving a new product.

UniCredit Bulbank AD applies uniform Group risk management procedures. Risk positions are aggregated at least daily, analyzed by the independent Market risk management unit and compared with the risk limits set by the Management Board and ALCO.

For internal risk management and Group compliant risk measurement, the Bank applies UniCredit Group's internal model IMOD. It is based on historical simulation with a 500-day market data time window for scenario generation and covers all major risk categories: interest rate risk and equity risk (both general and specific), currency risk and commodity position risk. Internal model also includes quantification of Stressed VaR and Incremental Risk Charge values. The simulation results, supplemented with distribution metrics and limit utilization are reported on a daily basis to the Management and the responsible business units.

Reliability and accuracy of the internal model is monitored via daily back-testing, comparing the simulated results with actually observed fluctuations in market parameters and in the total value of books. Back-testing results for 2015 confirm the reliability of used internal model.

A set of granular sensitivity-oriented limits accross asset classes is defined as complementary to VaR measure. The most important detailed presentations include: basis point shift value (interest rate /spread changes of 0.01 % by maturity bucket), credit spread basis point value (credit spread changes of 0.01% by maturity bucket) and FX sensitivities. In the interest rate sector, the Basis-Point-Value (BPV) limit restricts the maximum open position by currency and time buckets, with valuation changes based on shift by 0.01% (1 basis point). Additional element is the loss-warning level limit, providing early indication of any accumulation of position losses.

Internal model results are complemented by various stress scenarios to identify potential effects of stressful market conditions on the Bank's earnings. The assumptions under such stress scenarios include extreme movements in prices or rates and deterioration in market liquidity. Stress results for major asset classes and portfolios (credit, rates and FX) and estimated impact on liquidity position are reported at least monthly to ALCO.

In 2015 the Bank's Management continued prudent risk management practice with primary focus on client-driven business.

Status of Basel 3 implementation

Market risks in the trading book

For risk management purpose UniCredit Bulbank AD uses the group internal model, incl. stressed VaR and Incremental Risk Charge (IRC) introduced in 2012.

Counterparty risk

For risk management purpose UniCredit Bulbank AD uses the group internal model for counterparty credit risk. CVA market risk charge was introduced in 2013.

Liquidity

Basel 3 sets liquidity standards under stressed conditions in the short-term maturity range (liquidity coverage ratio LCR = 100 %) and in the structural sector (net stable funding ratio NSFR = 1). Although compliance with these rules will not be mandatory before 2015 and 2018, respectively, UniCredit Bulbank AD made the necessary extensions to the liquidity monitoring system last two years and integrated the new regulatory standards in ALCO oversight process.

b) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, personnel and systems or from external events, including legal risk. Examples of operational risk events are: internal or external fraud, violation of employment practices and workplace safety, clients claims, products development and implementation without a proper operational risk identification, fines and penalties due to regulation breaches, damage to Company's physical assets, business disruption and system failures, inadequate or failed 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 and Reputational Risk Committee.

UniCredit Bulbank AD defines the operational risk management framework as a combined set of policies and procedures for controlling, measuring and mitigating the operational risk exposure of the bank.

An integral part of the framework is a set of Global Policies and Global Operation Instructions of UniCredit Group, Operational Risk Control Rulebook, as well as the Internal regulation "Data collection procedure for the purpose of operational risk assessment in UniCredit Bulbank AD".

A significant part of the activities performed by the Operational and Reputational Risk Unit is devoted to the Operational and Reputational Risk Strategies (OpRepRisk Strategies). They are a planning instrument to steer the Group and Entities priorities in terms of business strategy risk sustainability and mitigations requirements. OpRepRisk Strategies deploy their effect in a multiyear perspective and include different approaches to mitigate some emerging risks such as: compliance risk, sanctions risk, credit application fraud, etc. OpRepRisk Strategies of "UniCredit Bulbank" AD were based on and aligned with the Group Strategies. In 2015 they were duly monitored and reported to the management by the Operational and Reputational Risk Unit on a quarterly basis at the organized Operational and Reputational Risk Committee meetings.

The Operational and Reputational Risk Unit is an independent function in the Bank's structure.

Information for operational risk events, key risk indicators and scenarios is gathered and maintained within a joined centralized database of UniCredit Group.

The Bank applies the Advanced Measurement Approach (AMA) for calculation of capital requirements of operational risk. A new version of AMA is in place since the second quarter of 2014. UniCredit Bulbank AD is the first bank in Bulgaria certified to use this approach, after authorisation received by Bank of Italy (as UniCredit Group's Supervisory Authority) and BNB.

The internal AMA model developed by UniCredit Group is based on internal loss data, external loss data (consortium and public data), scenario data and risk indicators. The Group AMA capital at risk is distributed through an improved risk-sensitive allocation mechanism to those legal entities that are authorized for AMA use.

In UniCredit Bulbank AD operational risk reduction is accomplished with the use of insurance policies, as well as other risk transfer methods, among which outsourcing activities. The criteria for risk reduction through insurance are formalized in the Insurance Strategy of the Bank, which defines the policy of securing the bank risk profile with adequate and optimal insurance coverage, including the main inherent risk categories to the performed activities along with the overall risk exposure. As far as outsourcing as an operational risk transfer technique is concerned, examples of outsourced services in the Bank are security services (branch security and ATM full servicing), cash counting services, IT and other services maintenance.

Apart from the above mentioned, the participants in the Operational and Reputational Risk Committee¹ on a quarterly basis identify and propose risk mitigation solutions in their respective areas of responsibility in the Bank.

c) Credit Risk

Credit risk is defined as potential losses arising from unfulfilment of any contractual obligation with regard to financial instruments receivables.

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 (top-down):

- The Supervisory Board
- The Management Board
- The Credit Committee
- The Credit Council
- The Chief Risk Officer
- The Head of “Credit Risk” Department
- The Senior Managers of “Corporate Credit Underwriting” Unit, “Small Business Credit Underwriting” Unit, “Individuals Credit Underwriting” Unit within the structure of “Credit Risk” Department
- 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

¹ Operational and Reputational Risk Committee monitors also the exposure to reputational risk, as well as identifies and proposes risk mitigation solutions.

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 applies 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 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 have voting 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 independently 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 it level of risk and competences for risk assessment in accordance to its 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 Credit Institutions. Exposures to one client exceeding 10% of the capital base are treated as big exposures and 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.

Since the beginning of 2011, the Bank applies Foundation Internal Rating Based Approach (F-IRB) for calculation of capital requirements of credit risk for credit institutions' and corporate clients' exposure. UniCredit Bulbank AD is the first bank in Bulgaria certified to use this approach after authorisation received by Bank of Italy and BNB.

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 Basel III regulatory framework.

In 2014, the new Directive 2013/36/EU requirements (CRD IV) were enforced in Bulgaria and Ordinance 8 of BNB was abrogated and substituted by Regulation (EU) No 575/2013 of the European Parliament and of the Council.

In parallel to the introduction of the new Basel III regulatory framework, BNB defined two additional capital buffers: Capital Conservation buffer and Systemic Risk buffer.

The detailed information regarding unconsolidated Own Funds of UniCredit Bulbank AD is disclosed in **Appendix 1** according to Commission Implementing Regulation (EU) No 1423/2013 and includes the following:

- **Appendix 1A** – Balance sheet reconciliation methodology;
- **Appendix 1B** – Capital Instruments' main features template;
- **Appendix 1C** – Transitional Own Funds disclosure template

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

4. Capital requirements

For estimation of the capital requirements, UniCredit Bulbank AD applies:

For Credit Risk:

- Foundation Internal Rating Based Approach (FIRB) for classes: Corporate²; Institutions; Specialized Lending³; and Equity claims⁴;
- Standardized Approach for classes⁵: Central Governments or Central Banks; Regional Governments or Local Authorities; Multilateral Development Banks; Administrative Bodies and Non-commercial Undertakings; International Organisations; Retail (including covered by residential real estates); Small and Medium Sized Companies (exposure more than 1 Million EUR); and Other items.

For Market Risk:

- Standardized Approach.

For Operational Risk:

- Advanced Measurement Approach.

² Except for Small and Medium Sized Companies with exposure over 1 Million EUR.

³ UniCredit Bulbank AD applies Slotting Criteria Model (regulatory defined risk weights and expected loss levels).

⁴ UniCredit Bulbank AD applies Simple Approach.

⁵ For client type detailization purposes, classes are represented in accordance with Standardized approach segregation.

For preparation of the regulatory reports under new EU Regulation 575/2013, the Bank applies Financial Collateral Comprehensive Approach 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 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 for pre-settlement risk (derivatives, repo's, MM) and settlement risk.

UniCredit Bulbank AD employs the Group internal model method for counterparty risk measurement and limit compliance control. The limit relevant value or Conditional expected shortfall is determined as weighted average of the exposures' distribution on the counterparty's hazard rates of all scenarios higher than 87.5% scenario.

Market Risk unit monitors on a daily basis the exposures and escalates limit breaches for resolution.

The concept of CVA charge is adopted for risk-adjusted pricing of derivatives.

6. Exposure to credit risk and dilution risk

The carrying amounts of Bank's assets are regularly reviewed for assessment 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.

In assessing the provisions Management uses expert estimates 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.

Economic capital for Credit risk is measured via an internal portfolio model. The fundamental outputs of the model are:

- Credit Value at Risk (CVaR) – the maximum portfolio loss one year horizon and at 99.9% confidence level;
- Expected Loss (EL) on a single client and portfolio level;
- Portfolio Economic Capital – the difference between CVaR and EL (a measure of Unexpected Loss). This amount represents the internal evaluation of the Credit risk capital requirement;
- Economic Capital allocated to the level of single exposure/client via Expected Shortfall method.

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 113 of the EU Regulation 575/2013, 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 138, Article 139, Article 140 and Article 141 of the EU Regulation 575/2013.

Asset Classes where ECAI are used are as follows:

- Claims or contingent claims on central governments;
- Claims or contingent claims on multilateral development banks;
- Claims or contingent claims on institutions (providing unavailability of internal rating);
- Claims or contingent claims on regional governments or local authorities;
- Short-term claims on institutions and corporates (providing unavailability of internal rating).

Distribution of the exposures under Standardized approach by Credit Quality, broken down by exposure classes is disclosed in **Appendix 8**.

Distribution of the exposures under FIRB by Credit Quality, broken down by exposure classes is disclosed in **Appendix 9**.

8. Internal models for market risk

UniCredit Bulbank AD does not apply Internal Models for calculating capital requirements for market risks within the reporting cycle to the local regulator.

The Group-wide internal market risk model is applied for risk management and control purposes, and for consolidated requirements reporting at Unicredit Bank Austria Group level.

9. Exposure to operational risk

For the purpose of reporting Capital Adequacy in accordance with Regulation (EU) No 575/2013 of The European Parliament and of The Council UniCredit Bulbank AD applies Advanced Measurement Approach (AMA) for the capital calculation of Operational Risk. In order to better represent the operational risk exposure, the combination of the seven event types and the product associated to each operational event generates the twelve model risk categories.

Operational risk events are attributed exclusively to seven classes (or event types).

1. *Internal frauds* are acts intended to defraud, misappropriate property or circumvent regulations, the law or Company policy (excluding diversity or discrimination events) involving at least one internal party and excluding malicious damage. The internal fraud is originated inside the Company and the internal nature of the event must be definitely ascertained, otherwise it should be considered as external fraud. In many cases, an internal audit report may clarify this point.
2. *External frauds* are acts intended to defraud, misappropriate property or circumvent the law committed by a third party, without the assistance of an employee and excluding malicious damage;
 - 2.1. External frauds – Payments. This model risk category includes frauds on all payment systems, in order to have evidence of all phenomena involved in money transfer, to highlight any anomalies and deficiencies in security measures. Payment system meaning client management of cash inflows/outflows; all forms of payments; clearing, settlement and exchange services.
 - 2.2. External frauds – Others. This model risk category includes all events associated to all others products or non banking products (other products/services not generally considered part of a bank or investment bank's offering, e.g. insurance) or non product related (for situations where no specific process was involved).
3. *Employment practices and workplace safety* are events resulting from violating employment or health or safety laws and agreements, personal injury claims or diversity discrimination events.
4. *Clients, products and business practices* are unintentional or negligent failure to meet obligations to clients (including fiduciary and suitability requirements) or from the features of a product. The events where the Company committed an improper business act fall into this category, likewise when it has been the victim of similar practices by another Company;
 - 4.1. Clients, products and business practices – Derivatives. This model risk category includes all derivative products, selling either via an exchange or over the counter; they have been isolated from all others financial instruments to better represent the phenomena;

4.2. Clients, products and business practices - Financial Instruments. This model risk category includes all others financial instruments, selling either via an exchange or over the counter;

4.3. Clients, products and business practices – Others. This class includes all events associated to all others products or no banking products (Other products/services not generally considered part of a bank or investment bank's offering, e.g. insurance) or non product related (for situations where no specific process was involved).

5. *Damages to physical assets* are events caused by natural disaster or other similar event type.
6. *Business disruption and system failures* are losses caused by technology problems.
7. *Execution, delivery and process management* are failed transactions processing or process management, or losses coming from relations with counterparties and vendors. These events are not intentional and involve documenting or completing business transactions (typically, operational risk events that occur in back office areas fall in this category);

7.1. Execution, delivery and process management – Financial Instruments. This model risk category includes all derivative products and financial instruments, selling either via an exchange or over the counter; they have been isolated to better represent the phenomena. This model risk category includes all others financial instruments, selling either via an exchange or over the counter;

7.2. Execution, delivery and process management – Payments. This model risk category includes events connected with all payment system, in order to have evidence of all phenomena involved in money transfer. Payment system meanings client management of cash inflows/outflows, all forms of payments; clearing, settlement and exchange services;

7.3. Execution, delivery and process management – Others. This model risk category includes all events associated to all others products or no banking products (Other products/services not generally considered part of a bank or investment bank's offering, e.g. insurance) or non product related (for situations where no specific process was involved).

10. Equities in the banking book

According to Article 434, para 2 of the EU Regulation 575/2013, equivalent disclosure is made in the Annual Unconsolidated Financial Statements of UniCredit Bulbank AD.

11. Interest rate risk in the banking book

Exposure to interest rate risk in the banking book is captured and measured on daily basis in the market risk management systems. The managerial limit-relevant risk metrics includes daily VaR and basis point value sensitivity, weekly stress test warning level and monthly reporting of regulatory required variation in economic value (instantaneous 200 bps interest rate shock ag. 20% of equity) and variation in earnings (net interest income simulation using +/- 100 bps shock of interest rates and hypothesis of evolution of assets and liabilities). Executive summary is reported in each monthly ALCO session.

According to Article 434, para 2 of the EU Regulation 575/2013, equivalent disclosure is made in the Annual Unconsolidated Financial Statements of UniCredit Bulbank AD.

12. Securitisation

UniCredit Bulbank AD applies securitisation since 2012 under the Agreement with European Investment Fund (EIF) for granting of finance to small and medium-sized enterprises under the initiative JEREMIE.

According to the Agreement (signed in 2011), the EIF provides guarantee for coverage of first loss (First Loss Portfolio Guarantee-FLPG), thus the tranche of first loss is transfer to EIF, and the Bank effectively holds the second loss tranche to this programme.

The Agreement is treated as synthetic securitisation and for regulatory purposes, UniCredit Bulbank AD applies Standardised approach for calculation of capital requirements of credit risk.

As of 31.12.2015, the allocation of tranches is as follow:

Nominal value of the portfolio: 86 005 ths.BGN

First Loss Tranche: 25 405 ths.BGN

Second Loss Tranche: 43 399 ths.BGN

13. Unencumbered assets

According to Article 443 of the EU Regulation 575/2013, UniCredit Bulbank is disclosing the following information related to encumbered assets (as of 31.12.2015):

in thousands of BGN

	Carrying amount of encumbered assets	Carrying amount of non-encumbered assets
Assets:	531 318	16 836 999
Debt securities	264 878	2 017 661
Loans and advances	266 440	14 030 385
Other assets	-	788 953
	Fair value of encumbered collateral received	Fair value of collateral received non-encumbered
Collateral received:	-	121 688
Collateral received available for encumbrance	-	121 688
	Matching liabilities	Encumbered assets and collateral received
Total sources of encumbrance:	391 924	531 318
Repurchase agreements	-	-
Collateralised deposits other than repurchase agreements	391 924	531 318

As of 31.12.2015, there is no overcollateralisation of liabilities with encumbered assets in the Bank.

14. Leverage

In compliance with Article 451 of Regulation (EU) 575/2013, UniCredit Bulbank disclose the information regarding the leverage ratio and the management of the risk of excessive leverage.

The Basel III framework introduces the leverage ratio as a credible supplementary measure to the risk-based capital requirements which is defined as the Capital Measure divided by the Exposure Measure. The Capital Measure is the Tier 1 capital and the Exposure Measure is the sum of on-balance sheet exposures; derivative exposures; securities financing transaction exposures; and off-balance sheet items.

The Basel III Leverage Ratio is one of the Risk Appetite KPI of UniCredit Bulbank which is subject to quarterly monitoring against the approved Risk Appetite thresholds (target, trigger and limit levels).

Further, the Leverage ratio is also a Recovery Indicator in the Bank's Recovery Plan and it is simulated under the stress scenarios used there. If the simulation reveals a potential breach of the Risk Appetite trigger and/or limit remedial actions with respect to the numerator and/or denominator of the ratio are analyzed and prepared in the plan.

UniCredit Bulbank discloses the Leverage ratio according to article 499, 1 (a) of Regulation (EU) 575/2013.

Detailed information is presented in the below tables:

Summary reconciliation of accounting assets and leverage ratio exposures

in thousands of BGN

Total assets as per published financial statements	17 368 317
Adjustments for derivative financial instruments	107 139
Adjustments for securities financing transactions "SFTs" ⁶	1 531
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	3 088 925
Other adjustments	-120 185
Total leverage ratio exposure	20 445 727

Leverage ratio common disclosure

in thousands of BGN

Tier 1 capital - Fully phased in	2 188 728
Leverage ratio in accordance with Regulation (EU) № 575/2013	10.72%

⁶ SFT, which is an abbreviation of Securities Financing Transaction and shall mean 'repurchase transactions, securities or commodities lending or borrowing transactions, long settlement transactions and margin lending transactions' of Regulation (EU) № 575/2013.

Leverage ratio exposures - Regulation (EU) № 575/2013

in thousands of BGN

Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	17 108 406
Trading book exposures	10 147
Banking book exposures, of which:	17 098 259
Exposures treated as sovereigns	6 849 471
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	44 700
Institutions	1 160 372
Secured by mortgages of immovable properties	1 628 794
Retail exposures	1 063 276
Corporate	4 974 194
Exposures in default	649 825
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	727 627
Asset amounts deducted in determining Tier 1 capital	-29 056
Derivative exposures, of which:	246 865
Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	139 726
Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	107 139
Securities financing transaction exposures, of which:	1 531
Counterparty credit risk exposure for SFT assets	1 531
Other off-balance sheet exposures	3 088 925

15. Internal Rating Based Approach

When applying Internal Rating Based Approach for calculation of capital requirements for credit risk, UniCredit Bulbank AD uses several rating models⁷ in order to carry out clients' creditworthiness analyses. Rating models can be generally summarized as:

1. Group-wide rating models (GWM)

Group wide rating models⁸ are used for group wide client segments or transactions, whose risk factors are independent from the counterpart's geographic location, local market characteristics, business lines and processes used. UniCredit Bulbank AD uses group wide rating model for creditworthiness analyses for: Multinational Companies⁹; Security Industry Companies; and Financial Institutions.

2. Local rating models

2.1. Corporate rating model

The model is used for corporate clients (using full accounting) with a turnover < 500 Mio EUR (except for Specialized lending);

⁷ UniCredit Bulbank AD uses master scale for rating result competency.

⁸ Group wide rating models are developed by UCI Holding Company (HC) and are adopted by UniCredit Bulbank AD.

⁹ Companies with turnover over 500 mln euro.

2.2. Slotting Criteria Model

The model is used for assessment of capital requirements and expected loss for exposures clasifed as Specialized Lending.

As Risk parameters: Exposure at Default (EAD; Maturity (M); and Loss Given Default (LGD), UniCredit Bulbank AD uses regulatory defined parameters in EU Regulation 575/2013.

Default definition and the list of the default events valid for UniCredit Bulbank AD are described in “Default methodology” document applied in the Bank. The document is in compliance with Article 178 of the EU Regulation 575/2013, further specifying list of default events maintained in the Bank.

The established internal risk control environment is sound and realiable and is an integral part of the operative working process within the Bank. Risk control fuctions ensure:

- minimum yearly validation of the rating systems in used; maintenance of relevant model and validation documentation;
- maintenance of all necessary data for management and assessment of the credit risk;
- periodic assessment of the accuracy, completeness, and appropriateness of model inputs and results.

The customer rating is not only the basis for a risk-related credit decision but, for example, also for:

- Credit conditions (interest rates, security)
- Credit risk control (reporting, watch list, early warning instruments)
- Credit risk trade (securitization)
- Cost of risk (impairment, loan loss provision)
- Calculation of capital required under Basel III (capital requirements, capital adequacy)
- Portfolio analysis (credit portfolio steering)

Cases Occasioning a Rating:

- Provision of financial statements
- Application for credit/ lending of credit
- Credit risk control/prolongation
- Change in soft facts and warning signals relevant to creditworthiness
- Change relevant to creditworthiness in connection with the overruling of a customer rating
- Removal of a rating recipient from a rating group and break-up of the entire rating group
- Existence of a warning signal
- Existence of an aging restriction
- Elimination of a default event
- New Nostro/ Loro account; MM placement/ Repo deals/ Other obligations counterparties (esp. Banks)
- New Issuer of a personal guarantee (esp. Bank or Company Guarantee/ contra-guarantee received in favour of a customer)

If there are rating relevant changes of hard/soft facts or warning signals, a new rating assessment is required.

Notwithstanding the above factors, rating is renewed each year, whereas customers with high risk and problem exposures must be checked in shorter intervals.

The historical losses for the previous period are defined based on occurred default events in accordance with the applied “Default Methodology”.

16. 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 properties;
- Pledges of all enterprise 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 specialised 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 only part of the abovementioned types of collaterals when applying credit risk mitigation techniques in accordance with EU Regulation 575/2013:

- Financial collaterals – blocked cash and securities, strictly observing the requirements of Chapter Four *Credit Risk Mitigation* of the EU Regulation 575/2013. For calculation of capital requirements for credit risk under IRB approach, Financial collaterals are treated like LGD- reducing collaterals (in accordance with the EU Regulation 575/2013, Article 230, Table 5 “Minimum LGD for secured parts of exposures”);
- Guarantees that meet the requirements of Chapter Four *Credit Risk Mitigation* of the EU Regulation 575/2013. For calculation of capital requirements for credit risk under IRB approach, Guarantees are treated like PD- reducing collaterals;

- Real Estate Properties that meet the requirements of Article 124, Article 125 and Article 126 of the EU Regulation 575/2013. For calculation of capital requirements for credit risk under IRB approach, Real Estate collaterals are treated like LGD- reducing collaterals (in accordance with the EU Regulation 575/2013, Article 230, Table 5 “Minimum LGD for secured parts of exposures”).

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 the EU Regulation 575/2013.

17. 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.

18. Remuneration policy

Compensation Policy of UniCredit Bulbank AD is determined by the Management Board and approved by the Supervisory Board of the Bank. The Policy is part of UniCredit Group’s policy to attract, retain and motivate a highly qualified workforce. The main pillars of the Policy are in compliance with the principles set by the Group Compensation Policy. The principles of the Compensation policy of UniCredit Bulbank also apply to Bank’s subsidiaries. The main principles (pillars) of the Policy are: Clear and transparent governance, Compliance with the regulatory requirements and principles of good business conduct, Continuous monitoring of the market trends and practices, Sustainable pay for sustainable performance, Motivation and retention of all employees, with particular focus on talents and key personnel.

The Nomination and Compensation Committee determines on behalf of the Supervisory Board, the individual compensation of the Bank’s Management Board members including the Executive Directors. The Committee consists of two members - Supervisory board Chairman and a Supervisory board member. The Nomination and Compensation Committee has the power to nominate and recommend candidates to be appointed as members of the Management Board. The Nomination and Compensation Committee acts and takes its decisions in compliance with the Group Compensation Policy, the Global Job Model, and in a manner consistent with the UniCredit Group processes of determination and review of the compensation of its senior executive staff.

A main requirement of the Incentive Systems applicable to all categories employees at all levels, is to contribute to the sustainability of the Bank and to the Group by aligning individual

goals and behaviors to the long-term mission of the Group and the Bank while avoiding taking a risk that exceeds the general level of risk tolerated by the Bank. Following the UniCredit Group's Policy, UniCredit Bulbank AD applies the principle of "Sustainable pay for sustainable performance" when determining the results and behaviors which aim to reward.

Sustainable pay is a principle that ensures a continuous direct link between pay and performance as well as binds the rewards to the long-term value creation for the organization and to the sound and effective risk management through a variable payment which binds the pay to the achieved short-term and long-term results. The variable remuneration linked to the achieved results of the employee and to the individual contribution is supplementing the fixed salary contracted according to individual's professional qualification, experience and skills. In this way the Bank ensures an adequate balance between the fixed and the variable part of the total compensation package in order to ensure sound and effective risk management. This excludes encouraging of behaviors not aligned to the Bank's sustainable business results as well as rewarding single employees for taking risks which exceed those acceptable for the institution. The alignment between the incentive payout levels with the overall economic results of the Bank is guaranteed by the adopted flexible and adaptive Incentive systems. In compliance with the policy and practices of UniCredit Group these systems ensure a direct link between the individual incentive payout levels on one hand and the overall achieved team and individual results for the Bank on the other. This is ensured by setting overall cap on performance related payout for the Bank as appropriate according to the Bank economic results and consistent with local market practice.

Performance Management and Incentive System is set in order to create a strong link between actual results and annual bonus, as for the purpose UniCredit Bulbank adopts a "Bonus Pool" approach, which is based on "Solidarity" approach - local overall amount for bonus allocation is subject not only to country achievement of Bank targets and results, but also to CEE Division and Group results.

In order to avoid payment of guaranteed bonuses not linked to the achieved results, the implemented Incentive Systems introduce minimum performance thresholds below which zero bonus is paid out. Thereby avoiding payment of guaranteed additional financial rewards (bonuses) that do not correspond to the achieved results.

Labor employment/civil contract with the Bank, including management contract, do not guarantee additional remuneration (bonus). The Incentive systems and the corresponding remuneration are constructed in accordance to the objectives stated in the Strategic plan of UniCredit Group and UniCredit Bulbank AD. Through the compensation systems the variable remuneration payment is aligned with performance of the goals at Bank level, performance of the goals of the respective structure and the individual contribution of the employee.

The overall evaluation of the results from the activity is based not only on the sole basis of short-term results but also on their long-term impact on company's achievements. This is ensured through setting the annual goals targeted to sustainable value creation for the company with particular reference to risk. The goals are set by implementation of key performance indicators (KPIs) that include besides profitability other drivers of sustainable business development including reference to risk, and efficiency, customer satisfaction, quality of internal interaction between business lines, sustainable transfer of knowledge and ensuring business continuity and process management. Performance is measured and rewarded not only on the sole basis of achieving financially-based objectives but also on other criteria for example - risk management, adherence to group values and standards of consistently ethical behavior. Evaluation is made also of the contribution of each individual and unit to the overall value created by the related business group and to the organization as a whole.

Evaluating the activity of the control functions and defining the remuneration is based on the principle of independence of the structural units that they control. This is achieved by avoiding the setting of the financial goals of the control functions that are related to the achievement of financial and business goals of the structures that they control.

According to the Bulgarian and European legislation, UniCredit Bulbank AD introduces the identified staff category for which the principles of deferred variable compensation payout in cash and equity apply. For Identified staff are determined certain specific performance indicators, through the measurement of which is warranted that in case of poor performance, reduction of deferred remuneration will apply (so-called Malus conditions / Zero Factor, which could completely cancel the payment of variable remuneration in case of unsatisfactory results). The variable compensation of the identified staff is paid within a predetermined five or six year period (2016-2021) and take into account the performance on key performance indicators (KPIs) related to the operating activities and long-term development of the Bank. Bonus payouts are made in separate parts through a balanced structure of upfront (following the moment of performance evaluation) and deferred payouts in cash and instruments (shares).

The schemes of variable compensation (bonus) payout for the staff categories for which the principles of upfront and deferred payouts in cash and shares are applied, are as follows:

Staff category	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
	Cash	Cash	Shares	Shares	Shares	Cash & Shares
EVP & above & other identified staff with bonus	20%	10%	20%	10%	10%	20% Cash 10% Shares
	Cash	Cash	Shares	Cash & Shares	Shares	-
SVP & other identified staff with bonus	30%	10%	30%	10% 10%	10%	-

For 2015 year this group includes the Executive Directors of UniCredit Bulbank, Leasing and Consumer Financing, the Members of the Management board of the Bank, the Managers of Control functions, employees in Markets and Brokerage Department depending on their individual limits for transactions incl. Head of Markets and Brokerage Department, members of Credit council/ Credit Committee, employees in Risk Management Division with individual limits for approval of loans exceeding the quantitative criteria. The criteria for inclusion in the category of "identified staff" follow the detailed criteria of the European Banking Authority and are consistent with the approach of UniCredit Group, taking into account the powers of individual material impact.

For every member of Identified staff, for every particular year, the payment of the Bonus shall be subject to the assessment, which may confirm, reduce or cancel eligibility to the Bonus Instalment.

In thousands of BGN

2015 Executive's Compensation											
Staff category	Number of participants	Total fixed compensation for 2015	Total variable compensation for 2015	Deferred variable compensation depending on the year of payment and underlying instruments							
				Cash	Cash	Shares	Cash	Shares	Shares	Cash	Shares
				2016	2017	2018	2019		2020	2021	
Identified staff	15	4 380	4 239	1 119	420	1 079	239	420	420	361	181

**BALANCE SHEET RECONCILIATION METHODOLOGY
/AS OF 31.12.2015/**

In thousands of BGN

Positions and regulatory corrections	Balance sheet positions included in the calculation of CET 1					Balance sheet positions included in the calculation of Tier 2	Other corrections	Total
	Share capital	Revaluation reserves	Retained earnings	Profit for the year	Intangible assets	Subordinated liabilities		
Balances as at 31 December 2015 of the positions included in the calculation of CET 1	285 777	43 566	1 888 441	290 007	-23 155		-	2 484 636
<u>Regulatory corrections of CET 1</u>								
Correction of Cash flow hedges reserves	-	28 094	-	-	-		-	28 094
Current year profit, not yet eligible for own funds inclusion	-	-	-	-290 007	-		-	-290 007
Deferred tax liabilities associated to intangible assets	-	-	-	-	1 018		-	1 018
Shortfall related to performing exposures treated under F-IRB	-	-	-	-	-		-35 013	-35 013
Total regulatory corrections of CET 1 (fully loaded)	-	28 094	-	-290 007	1 018		-35 013	-295 908
Core Equity Tier 1 (CET 1) (fully loaded)	285 777	71 660	1 888 441	-	-22 137		-35 013	2 188 728
Correction of positive revaluation reserve related to available for sale financial assets (60%)	-	-45 337	-	-	-		-	-45 337
30% from shortfall related to performing exposures treated under F-IRB (transitional provisions)	-	-	-	-	-		10 504	10 504
Total regulatory corrections of CET 1 (transitional provisions)	-	-45 337	-	-	-		10 504	-34 833
Core Equity Tier 1 (CET 1) (transitional provisions)	285 777	26 323	1 888 441	-	-22 137		-24 509	2 153 895
Balances as at 31 December 2015 of the positions included in the calculation of Tier 2							-	-
<u>Regulatory corrections of Tier 2</u>								
Excess of loan loss provisions over expected loss on defaulted exposures treated under F-IRB (capped to 0.6% from F-IRB RWA)							-	34 741
Total regulatory corrections of Tier 2 (fully loaded)							-	34 741
Tier 2 capital (fully loaded)							-	34 741
30% from shortfall related to performing exposures treated under F-IRB (transitional provisions)							-10 504	-10 504
Total regulatory corrections of Tier 2 (transitional provisions)							-10 504	-10 504
Tier 2 capital (transitional provisions)							-	24 237
Total own funds (fully loaded)	285 777	71 660	1 888 441	-	-22 137	-	-272	2 223 469
Total own funds (transitional provisions)	285 777	26 323	1 888 441	-	-22 137	-	-272	2 178 132

APPENDIX 1B
**CAPITAL INSTRUMENTS' MAIN FEATURES TEMPLATE
/AS OF 31.12.2015/**
In thousands of BGN

Capital instruments' main features template ⁽¹⁾			
1	Issuer	N/A	N/A
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A
3	Governing law(s) of the instrument	N/A	N/A
	<i>Regulatory treatment</i>	N/A	N/A
4	Transitional CRR rules	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A
6	Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	N/A	N/A
7	Instrument type (types to be specified by each jurisdiction)	N/A	N/A
8	Amount recognised in regulatory capital (in TBGN as of December 31, 2015)	N/A	N/A
9	Nominal amount of instrument (in TBGN)	N/A	N/A
9a	Issue price	N/A	N/A
9b	Redemption price	N/A	N/A
10	Accounting classification	N/A	N/A
11	Original date of issuance	N/A	N/A
12	Perpetual or dated	N/A	N/A
13	Original maturity date	N/A	N/A
14	Issuer call subject to prior supervisory approval	N/A	N/A
15	Optional call date, contingent call dates, and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
	<i>Coupons / dividends</i>	N/A	N/A
17	Fixed or floating dividend/coupon	N/A	N/A
18	Coupon rate and any related index	N/A	N/A
19	Existence of a dividend stopper	N/A	N/A
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	N/A
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A	N/A
21	Existence of step up or other incentive to redeem	N/A	N/A
22	Noncumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	N/A	N/A
24	If convertible, conversion trigger (s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	N/A	N/A
31	If write-down, write-down trigger (s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A
(1) 'N/A' inserted if the question is not applicable			

APPENDIX 1C
**TRANSITIONAL OWN FUNDS DISCLOSURE TEMPLATE
/AS OF 31.12.2015/**
In thousands of BGN

Common Equity Tier 1 capital: instruments and reserves ⁽¹⁾		(A) Amount at Disclosure	(B) Regulation (EU) No 575/2013 article reference	(C) Amounts subject to Pre-Regulation (EU) No 575/2013 treatment OR prescribed residual amount of Regulation (EU) 575/2013
1	Capital instruments and the related share premium accounts	285 777	26 (1), 27, 28, 29, EBA list 26 (3)	N/A
	of which: Instrument type 1	N/A	EBA list 26 (3)	N/A
	of which: Instrument type 2	N/A	EBA list 26 (3)	N/A
	of which: Instrument type 3	N/A	EBA list 26 (3)	N/A
2	Retained earnings	1 888 441	26 (1) (c)	N/A
3	Accumulated other comprehensive income (and any other reserves)	43 566	26 (1)	N/A
3a	Funds for general banking risk	-	26 (1) (f)	N/A
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	N/A	486 (2)	N/A
	Public sector capital injections grandfathered until 1 January 2018	N/A	483 (2)	N/A
5	Minority interests (amount allowed in consolidated CET1)	-	84, 479, 480	N/A
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	26 (2)	N/A
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	2 217 784		N/A
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	-	34, 105	N/A
8	Intangible assets (net of related tax liability) (negative amount)	-8 855	36 (1) (b), 37, 472 (4)	N/A
9	Empty set in the EU	-		N/A
10	Deferred tax assets that rely on future profitability excluding those arising from temporary difference (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	36 (1) (c), 38, 472 (5)	N/A
11	Fair value reserves related to gains or losses on cash flow hedges	28 094	33 (a)	N/A
12	Negative amounts resulting from the calculation of expected loss amounts	-14 005	36 (1) (d), 40, 159, 472 (6)	N/A
13	Any increase in equity that results from securitised assets (negative amount)	-	32 (1)	N/A
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	33 (1) (b) (c)	N/A
15	Defined-benefit pension fund assets (negative amount)	-	36 (1) (e), 41, 472 (7)	N/A
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	36 (1) (f), 42, 472 (8)	N/A
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	36 (1) (g), 44, 472 (9)	N/A
18	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	36 (1) (h), 43, 45, 46, 49 (2) (3), 79, 472 (10)	N/A
19	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79, 470, 472 (11)	N/A
20	Empty set in the EU	-		N/A
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	36 (1) (k)	N/A
20b	of which: qualifying holdings outside the financial sector (negative amount)	-	36 (1) (k) (i), 89 to 91	N/A
20c	of which: securitisation positions (negative amount)	-	36 (1) (k) (ii); 243 (1) (b); 244 (1) (b); 258	N/A
20d	of which: free deliveries (negative amount)	-	36 (1) (k) (iii), 379 (3)	N/A
21	Deferred tax assets arising from temporary difference (amount above 10 % threshold , net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	36 (1) (c), 38, 48 (1) (a), 470, 472 (5)	N/A
22	Amount exceeding the 15% threshold (negative amount)	-	48 (1)	N/A
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	36 (1) (i), 48 (1) (b), 470, 472 (11)	N/A
24	Empty set in the EU	-		N/A
25	of which: deferred tax assets arising from temporary difference	-	36 (1) (c), 38, 48 (1) (a), 470, 472 (5)	N/A
25a	Losses for the current financial year (negative amount)	-	36 (1) (a), 472 (3)	N/A
25b	Foreseeable tax charges relating to CET1 items (negative amount)	-	36 (1) (l)	N/A
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment	-		N/A
26a	Regulatory adjustments relating to unrealised gains pursuant to Articles 467 and 468	-45 337		N/A
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	-	481	N/A
27	Qualifying AT1 deductions that exceeds the AT1 capital of the institution (negative amount)	-23 786	36 (1) (j)	N/A
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-63 889		N/A
29	Common Equity Tier 1 (CET1) capital	2 153 895		N/A
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	-	51, 52	N/A

Common Equity Tier 1 capital: instruments and reserves ⁽¹⁾		(A) Amount at Disclosure	(B) Regulation (EU) No 575/2013 article reference	(C) Amounts subject to Pre-Regulation (EU) No 575/2013 treatment OR prescribed residual amount of Regulation (EU) 575/2013
31	of which: classified as equity under applicable accounting standards	-		N/A
32	of which: classified as liabilities under applicable accounting standards	-		N/A
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	486 (3)	N/A
	Public sector capital injections grandfathered until 1 January 2018	-	483 (3)	N/A
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interest not included in row 5) issued by subsidiaries and held by third parties	-	85, 86, 480	N/A
35	of which: instruments issued by subsidiaries subject to phase-out	-	486 (3)	N/A
36	Additional Tier 1 (AT1) capital before regulatory adjustments	-		N/A
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-	52 (1) (b), 56 (a), 57, 475 (2)	N/A
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	56 (b), 58, 475 (3)	N/A
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	56 (c), 59, 60, 79, 475 (4)	N/A
40	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	56 (d), 59, 79, 475 (4)	N/A
41	Regulatory adjustments applied to Additional Tier 1 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No 585/2013 (ie. CRR residual amounts)	N/A		N/A
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-23 786	472, 473(3)(a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	N/A
	thereof: Intangible assets	-13 282	472 (4)	
	thereof: IRB shortfall of provisions to expected losses	-10 504	472 (6)	
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	-	477, 477 (3), 477 (4) (a)	N/A
41c	Amounts to be deducted from added to Additional Tier 1 capital with regard to additional filters and deductions required pre- CRR	-	467, 468, 481	N/A
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	56 (e)	N/A
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-23 786		N/A
44	Additional Tier 1 (AT1) capital	-		N/A
45	Tier 1 capital (T1 = CET1 + AT1)	2 153 895		N/A
Tier 2 (T2) capital: instruments and provisions				
46	Capital instruments and the related share premium accounts	-	62, 63	N/A
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	486 (4)	N/A
	Public sector capital injections grandfathered until 1 January 2018	-	483 (4)	N/A
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interest and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third party	-	87, 88, 480	N/A
49	of which: instruments issued by subsidiaries subject to phase-out	-	486 (4)	N/A
50	Credit risk adjustments	34 741	62 (c) & (d)	N/A
51	Tier 2 (T2) capital before regulatory adjustment	34 741		N/A
Tier 2 (T2) capital: regulatory adjustments				
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	63 (b) (i), 66 (a), 67, 477 (2)	N/A
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institutions designed to inflate artificially the own funds of the institution (negative amount)	-	66 (b), 68, 477 (3)	N/A
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)	-	66 (c), 69, 70, 79, 477 (4)	N/A
54a	Of which new holdings not subject to transitional arrangements	-		N/A
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements	-		N/A
55	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amounts)	-	66 (d), 69, 79, 477 (4)	N/A
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	N/A		N/A
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-10 504	472, 472(3)(a), 472 (4), 472 (6), 472 (8), 472 (9), 472 (10) (a), 472 (11) (a)	N/A
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	-	475, 475 (2) (a), 475 (3), 475 (4) (a)	N/A
56c	Amounts to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre- CRR	-	467, 468, 481	N/A
57	Total regulatory adjustments to Tier 2 (T2) capital	-10 504		N/A

Common Equity Tier 1 capital: instruments and reserves ⁽¹⁾		(A) Amount at Disclosure	(B) Regulation (EU) No 575/2013 article reference	(C) Amounts subject to Pre-Regulation (EU) No 575/2013 treatment OR prescribed residual amount of Regulation (EU) 575/2013
58	Tier 2 (T2) capital	24 237		N/A
59	Total capital (TC = T1 + T2)	2 178 132		N/A
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amount)	N/A		N/A
	Of which: ... items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)	N/A	472, 472 (5), 472 (8) (b), 472 (10) (b), 472 (11) (b)	N/A
	Of which: ... items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.)	N/A	475, 475 (2) (b), 475 (2) (c), 475 (4) (b)	N/A
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc)	N/A	477, 477 (2) (b), 477 (2) (c), 477 (4) (b)	N/A
60	Total risk-weighted assets	8 825 466		N/A
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	24,41%	92 (2) (a), 465	N/A
62	Tier 1 (as a percentage of total risk exposure amount)	24,41%	92 (2) (b), 465	N/A
63	Total capital (as a percentage of total risk exposure amount)	24,68%	92 (2) (c)	N/A
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements plus a systemic risk buffer, plus systemically important institution buffer expressed as a percentage of total risk exposure amount)	5.5%	CRD 128, 129, 140	N/A
65	of which: capital conservation buffer requirement	2.5%		N/A
66	of which: countercyclical buffer requirement	not yet implemented		N/A
67	of which: systemic risk buffer requirement	3.0%		N/A
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	not yet implemented	CRD 131	N/A
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	not yet implemented	CRD 128	N/A
69	[non-relevant in EU regulation]	N/A		N/A
70	[non-relevant in EU regulation]	N/A		N/A
71	[non-relevant in EU regulation]	N/A		N/A
Amounts below the thresholds for deduction (before risk-weighting)				
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	16 563	36 (1) (b), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	N/A
73	Direct and indirect holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	63 283	36 (1) (i), 45, 48, 470, 472 (11)	N/A
74	Empty set in the EU	N/A		N/A
75	Deferred tax assets arising from temporary difference (amount below 10 % threshold , net of related tax liability where the conditions in Article 38 (3) are met)	-	36 (1) (c), 38, 48, 470, 472 (5)	N/A
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	N/A	62	N/A
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	N/A	62	N/A
78	Credit risk adjustments included in T2 in respect of exposures subject to internal rating-based approach (prior to the application of the cap)	34 741	62	N/A
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	34 741	62	N/A
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	- Current cap on CET1 instruments subject to phase-out arrangements	-	484 (3), 486 (2) & (5)	N/A
81	- Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	484 (3), 486 (2) & (5)	N/A
82	- Current cap on AT1 instruments subject to phase-out arrangements	-	484 (4), 486 (3) & (5)	N/A
83	- Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	484 (4), 486 (3) & (5)	N/A
84	- Current cap on T2 instruments subject to phase-out arrangements	-	484 (5), 486 (4) & (5)	N/A
85	- Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	484 (5), 486 (4) & (5)	N/A
(1) 'N/A' inserted if the question is not applicable				

**CAPITAL REQUIREMENTS
SUMMARY INFORMATION BY EXPOSURE CLASSES
/AS OF 31.12.2015/**

In thousands of BGN

Capital Requirements – Risk Exposures	Total
Risk Weighted Assets (RWA) for credit risk	
Risk Weighted Assets under standardized approach	2 142 082
Central Governments and Central Banks	10 443
Regional Governments	43 847
Public Sector	1 267
Institutions	4 606
Corporates	194 730
Retail	782 170
Exposure Secured by Immovable Property	584 670
Past Due Assets	186 095
Equity	-
Other exposures	302 545
Securitisation Position under STA	31 709
Risk Weighted Assets under F-IRB	5 790 170
Central Governments and Central Banks	-
Institutions	516 668
Corporates – SME	3 014 875
Specialised Lending /Slotting/	914 587
Corporates	1 147 386
Equity IRB	196 654
Total RWA for credit risk	7 932 252
Risk Weighted Assets for market risk	10 801
Traded debt instruments:	10 663
<i>General and specific risk</i>	10 663
<i>Specific risk securitisation positions</i>	-
<i>Specific risk correlation trading portfolio</i>	-
Equity	25
Foreign Exchange	-
Commodities	113
Risk Weighted Assets for operational risk	830 638
OpR Basic indicator approach	-
OpR Standardised (STA) approach	-
OpR Advanced Measurement Approaches (AMA)	830 638
RWA for Credit Valuation Adjustment (CVA) under STA	51 775
Total RWA for credit risk, market risk and operational risk	8 825 466

**AVERAGE AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY EXPOSURE CLASSES ***
/AS OF 31.12.2015/

In thousands of BGN

	ASSETS					OFF-BALANCE SHEET COMMITMENTS					DERIVATIVES			REPOS			TOTAL	TOTAL	TOTAL	TOTAL
Exposure class	Average amount of the exposure	Amount before provisioning	Booked Provision	RWA	Expected Loss	Average amount of the exposure	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	RWA	Expected Loss	Amount before provisioning	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss
STANDARTISED APPROACH (STA)																				
Central Governments and Central Banks	131 722	6 849 519	48	10 443	-	405	25 495	-	-	-	-	-	-	-	-	-	6 875 014	48	10 443	-
Regional Governments	2 630	44 716	231	43 137	-	284	1 420	-	710	-	-	-	-	-	-	-	46 136	231	43 847	-
Public Sector	7	219	4	214	-	60	4 309	-	1 053	-	-	-	-	-	-	-	4 528	4	1 267	-
Institutions	-	-	-	-	-	1 648	11 533	-	3 117	-	5 385	1 183	-	1 531	306	-	18 449	-	4 606	-
Corporate	679	158 814	1 316	152 002	-	205	205 482	-	40 400	-	2 565	2 328	-	-	-	-	366 861	1 316	194 730	-
Retail	7	1 074 076	10 800	690 948	-	3	390 791	-	91 222	-	-	-	-	-	-	-	1 464 867	10 800	782 170	-
Exposure Secured by Immovable Property	54	1 633 582	4 788	576 325	-	47	55 304	-	8 345	-	-	-	-	-	-	-	1 688 886	4 788	584 670	-
Past Due Assets	5	417 924	240 471	184 166	-	7	2 898	-	1 929	-	-	-	-	-	-	-	420 822	240 471	186 095	-
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	427	553 311	-	302 545	-	-	-	-	-	-	-	-	-	-	-	-	553 311	-	302 545	-
Securitization	487	68 804	7	31 709	-	-	-	-	-	-	-	-	-	-	-	-	68 804	7	31 709	-
TOTAL (STA)	-	10 800 965	257 665	1 991 489	-	-	697 232	-	146 776	-	7 950	3 511	-	1 531	306	-	11 507 678	257 665	2 142 082	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																				
Institutions	11 841	1 160 372	-	441 578	431	1 026	185 676	-	26 534	53	134 661	48 556	47	-	-	-	1 480 709	-	516 668	531
Corporate - SME	604	3 831 533	407 721	2 605 818	319 304	145	1 171 219	-	398 599	7 972	10 461	10 458	208	-	-	-	5 013 213	407 721	3 014 875	327 484
Specialized Lending	2 942	1 161 949	211 163	835 535	196 605	324	11 024	-	7 921	153	65 063	71 131	1 743	-	-	-	1 238 036	211 163	914 587	198 501
Corporate	2 017	966 329	51 859	830 663	41 501	888	1 040 215	16 441	289 509	8 663	28 730	27 214	300	-	-	-	2 035 274	68 300	1 147 386	50 464
Equity	5 956	83 382	-	196 654	161	-	-	-	-	-	-	-	-	-	-	-	83 382	-	196 654	161
TOTAL (FIRB)	-	7 203 565	670 743	4 910 248	558 002	-	2 408 134	16 441	722 563	16 841	238 915	157 359	2 298	-	-	-	9 850 614	687 184	5 790 170	577 141
TOTAL	-	18 004 530	928 408	6 901 737	558 002	-	3 105 366	16 441	869 339	16 841	246 865	160 870	2 298	1 531	306	-	21 358 292	944 849	7 932 252	577 141

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

	ASSETS																					TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss
	LOANS AND ADVANCES TO CUSTOMERS										LOANS AND ADVANCES TO BANKS		DEBT SECURITIES			OTHERS									
	Agriculture and Forestry	Commerce	Construction and Real Estate	Financial services	Manufacturing	Public Administration	Retail (individuals)	Services	Tourism	Transport and Communication	Financial services	Services	Financial services	Public Administration	Services	Financial services	Public Administration	Services							
Exposure class	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	Amount before provisioning	Amount before provisioning	Amount before provisioning					
STANDARTISED APPROACH (STA)																									
Central Governments and Central Banks	-	-	-	-	-	274 883	-	-	-	-	-	-	-	2 249 855	-	-	-	4 324 781	6 849 519	48	10 443	-			
Regional Governments	-	-	-	-	-	40 722	-	-	-	-	-	-	-	3 993	-	-	-	1	44 716	231	43 137	-			
Public Sector	-	-	-	-	-	-	219	-	-	-	-	-	-	-	-	-	-	-	219	4	214	-			
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Corporate	519	5 120	34 909	25 473	44 824	-	6 524	41 272	156	17	-	-	-	-	-	-	-	-	158 814	1 316	152 002	-			
Retail	79 255	160 202	29 736	492	66 424	-	617 260	58 826	9 302	52 567	-	-	-	-	-	-	-	12	1 074 076	10 800	690 948	-			
Exposure Secured by Immovable Porperty	20 661	109 830	65 701	3 657	53 415	-	1 323 052	21 180	16 380	19 706	-	-	-	-	-	-	-	-	1 633 582	4 788	576 325	-			
Past Due Assets	6 747	67 144	34 269	278	27 649	-	245 882	14 988	9 835	11 132	-	-	-	-	-	-	-	-	417 924	240 471	184 166	-			
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Other Assets	-	-	-	-	-	-	-	-	-	-	13 896	-	-	-	-	-	2 963	-	536 452	553 311	-	302 545			
Secutitization	-	47 636	1 526	-	11 662	-	-	5 426	586	1 968	-	-	-	-	-	-	-	-	68 804	7	31 709	-			
TOTAL (STA)	107 182	389 932	166 141	29 900	203 974	315 605	2 192 937	141 692	36 259	85 390	13 896	-	-	2 253 848	-	2 963	-	4 861 246	10 800 965	257 665	1 991 489	-			
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																									
Institutions	-	-	-	-	-	-	-	-	-	-	1 160 372	-	-	-	-	-	-	-	1 160 372	-	441 578	431 578			
Corporate - SME	305 777	1 422 832	481 554	85 711	1 077 345	-	-	255 019	109 801	93 494	-	-	-	-	-	-	-	-	3 831 533	407 721	2 605 818	319 304			
Specialized Lending	13 469	28 768	878 049	7 836	202 662	-	-	22 398	8 767	-	-	-	-	-	-	-	-	-	1 161 949	211 163	835 535	196 605			
Corporate	17	338 183	2 730	-	485 409	-	-	88 700	846	50 225	116	-	-	-	-	103	-	-	966 329	51 859	830 663	41 501			
Equity	-	-	-	-	-	-	-	-	-	-	-	-	82 660	-	722	-	-	-	83 382	-	196 654	161 654			
TOTAL (FIRB)	319 263	1 789 783	1 362 333	93 547	1 765 416	-	-	366 117	119 414	143 719	1 160 488	-	82 660	-	722	103	-	-	7 203 565	670 743	4 910 248	558 002			
TOTAL	426 445	2 179 715	1 528 474	123 447	1 969 390	315 605	2 192 937	507 809	155 673	229 109	1 174 384	-	82 660	2 253 848	722	3 066	-	4 861 246	18 004 530	928 408	6 901 737	558 002			

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

	OFF-BALANCE SHEET COMMITMENTS														TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss
	LOANS AND ADVANCES TO CUSTOMERS											LOANS AND ADVANCES TO BANKS						
	Agriculture and forestry	Commerce	Construction and Real Estate	Financial services	Manufacturing	Public Administration	Retail (Individuals)	Services	Tourism	Transport and communication	Financial services							
Exposure class	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							
STANDARTISED APPROACH (STA)																		
Central Governments and Central Banks	-	-	-	-	-	25 495	-	-	-	-	-	-	25 495	-	-			
Regional Governments	-	-	-	-	-	1 420	-	-	-	-	-	-	1 420	-	710			
Public Sector	-	-	-	-	-	-	4 309	-	-	-	-	-	4 309	-	1 053			
Institutions	-	-	-	11 533	-	-	-	-	-	-	-	-	11 533	-	3 117			
Corporate	746	18 339	66 526	43 726	61 218	-	2 171	4 546	86	8 124	-	-	205 482	-	40 400			
Retail	18 273	70 328	20 622	1 179	27 446	-	200 112	26 571	3 563	22 697	-	-	390 791	-	91 222			
Exposure Secured by Immovable Porperty	3 667	15 457	18 016	98	7 181	-	3 209	2 344	1 543	3 789	-	-	55 304	-	8 345			
Past Due Assets	-	2 534	32	-	11	-	300	3	1	17	-	-	2 898	-	1 929			
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Secutitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
TOTAL (STA)	22 686	106 658	105 196	56 536	95 856	26 915	210 101	33 464	5 193	34 627	-	-	697 232	-	146 776			
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																		
Institutions	-	-	-	81 945	-	-	-	-	-	-	103 731	-	185 676	-	26 534	53		
Corporate - SME	25 400	483 543	170 366	10 408	336 411	-	-	44 823	5 565	94 703	-	-	1 171 219	-	398 599	7 972		
Specialized Lending	1 174	-	6 493	-	2 118	-	-	-	1 239	-	-	-	11 024	-	7 921	153		
Corporate	3 912	267 041	172 402	18 345	518 951	-	-	7 806	-	51 758	-	-	1 040 215	16 441	289 509	8 663		
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
TOTAL (FIRB)	30 486	750 584	349 261	110 698	857 480	-	-	52 629	6 804	146 461	103 731	-	2 408 134	16 441	722 563	16 841		
TOTAL	53 172	857 242	454 457	167 234	953 336	26 915	210 101	86 093	11 997	181 088	103 731	-	3 105 366	16 441	869 339	16 841		

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

	TOTAL																	
	ASSETS				OFF-BALANCE SHEET COMMITMENTS				DERIVATIVES			REPOS			TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss
Exposure class	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	RWA	Expected Loss	Amount before provisioning	RWA	Expected Loss				
STANDARTISED APPROACH (STA)																		
Central Governments and Central Banks	6 849 519	48	10 443	-	25 495	-	-	-	-	-	-	-	-	-	6 875 014	48	10 443	-
Regional Governments	44 716	231	43 137	-	1 420	-	710	-	-	-	-	-	-	-	46 136	231	43 847	-
Public Sector	219	4	214	-	4 309	-	1 053	-	-	-	-	-	-	-	4 528	4	1 267	-
Institutions	-	-	-	-	11 533	-	3 117	-	5 385	1 183	-	1 531	306	-	18 449	-	4 606	-
Corporate	158 814	1 316	152 002	-	205 482	-	40 400	-	2 565	2 328	-	-	-	-	366 861	1 316	194 730	-
Retail	1 074 076	10 800	690 948	-	390 791	-	91 222	-	-	-	-	-	-	-	1 464 867	10 800	782 170	-
Exposure Secured by Immovable Property	1 633 582	4 788	576 325	-	55 304	-	8 345	-	-	-	-	-	-	-	1 688 886	4 788	584 670	-
Past Due Assets	417 924	240 471	184 166	-	2 898	-	1 929	-	-	-	-	-	-	-	420 822	240 471	186 095	-
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	553 311	-	302 545	-	-	-	-	-	-	-	-	-	-	-	553 311	-	302 545	-
Securitization	68 804	7	31 709	-	-	-	-	-	-	-	-	-	-	-	68 804	7	31 709	-
TOTAL (STA)	10 800 965	257 665	1 991 489	-	697 232	-	146 776	-	7 950	3 511	-	1 531	306	-	11 507 678	257 665	2 142 082	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																		
Institutions	1 160 372	-	441 578	431	185 676	-	26 534	53	134 661	48 556	47	-	-	-	1 480 709	-	516 668	531
Corporate - SME	3 831 533	407 721	2 605 818	319 304	1 171 219	-	398 599	7 972	10 461	10 458	208	-	-	-	5 013 213	407 721	3 014 875	327 484
Specialized Lending	1 161 949	211 163	835 535	196 605	11 024	-	7 921	153	65 063	71 131	1 743	-	-	-	1 238 036	211 163	914 587	198 501
Corporate	966 329	51 859	830 663	41 501	1 040 215	16 441	289 509	8 663	28 730	27 214	300	-	-	-	2 035 274	68 300	1 147 386	50 464
Equity	83 382	-	196 654	161	-	-	-	-	-	-	-	-	-	-	83 382	-	196 654	161
TOTAL (FIRB)	7 203 565	670 743	4 910 248	558 002	2 408 134	16 441	722 563	16 841	238 915	157 359	2 298	-	-	-	9 850 614	687 184	5 790 170	577 141
TOTAL	18 004 530	928 408	6 901 737	558 002	3 105 366	16 441	869 339	16 841	246 865	160 870	2 298	1 531	306	-	21 358 292	944 849	7 932 252	577 141

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY RESIDUAL MATURITY AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

	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**				DERIVATIVES			REPOS			TOTAL	TOTAL	TOTAL	TOTAL	
Exposure class	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	RWA	Expected Loss	Amount before provisioning	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	
STANDARDISED APPROACH (STA)																															
Central Governments and Central Banks	4 387 249	-	10 443	-	10 549	-	-	-	52 638	-	-	-	828 788	48	-	-	1 595 790	-	-	-	-	-	-	-	-	-	6 875 014	48	10 443	-	
Regional Governments	300	2	299	-	2 705	7	1 349	-	1 101	9	1 091	-	25 679	68	25 276	-	16 351	145	15 832	-	-	-	-	-	-	46 136	231	43 847	-		
Public Sector	2 189	2	367	-	1 179	-	398	-	735	1	432	-	425	1	70	-	-	-	-	-	-	-	-	-	-	4 528	4	1 267	-		
Institutions	591	-	217	-	-	-	-	-	87	-	22	-	10 200	-	2 550	-	655	-	328	-	5 385	1 183	-	1 531	306	-	18 449	-	4 606	-	
Corporate	69 243	19	17 608	-	15 850	23	7 677	-	42 129	12	16 735	-	70 751	571	42 584	-	166 323	691	107 798	-	2 565	2 328	-	-	-	366 861	1 316	194 730	-		
Retail	236 849	1 713	96 134	-	87 792	756	37 839	-	377 944	2 641	168 991	-	347 197	2 331	186 798	-	415 085	3 359	292 408	-	-	-	-	-	-	1 464 867	10 800	782 170	-		
Exposure Secured by Immovable Property	62 103	296	16 747	-	22 330	236	6 424	-	106 483	700	32 282	-	173 200	948	61 936	-	1 324 770	2 608	467 281	-	-	-	-	-	-	1 688 886	4 788	584 670	-		
Past Due Assets	299 566	191 972	110 866	-	4 537	1 808	2 751	-	9 491	5 355	3 795	-	31 241	17 525	13 838	-	75 987	23 811	54 845	-	-	-	-	-	-	420 822	240 471	186 095	-		
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Assets	553 311	-	302 545	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	553 311	-	302 545	-		
Securitization	12 595	4	5 222	-	2 109	-	1 031	-	6 443	-	3 151	-	37 567	3	17 370	-	10 090	-	4 935	-	-	-	-	-	-	68 804	7	31 709	-		
TOTAL (STA)	5 623 996	194 008	560 448	-	147 051	2 830	57 469	-	597 051	8 718	226 499	-	1 525 048	21 495	350 422	-	3 605 051	30 614	943 427	-	7 950	3 511	-	1 531	306	-	11 507 678	257 665	2 142 082	-	
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																															
Institutions	162 821	-	63 016	66	97 506	-	33 921	36	328 111	-	88 058	108	435 159	-	161 884	159	322 451	-	121 233	115	134 661	48 556	47	-	-	1 480 709	-	516 668	531		
Corporate - SME	1 375 404	337 028	489 621	218 794	235 411	7 168	168 772	8 455	1 176 386	18 072	753 798	31 898	1 645 583	41 260	1 145 903	53 007	569 968	4 193	446 323	15 122	10 461	10 458	208	-	-	5 013 213	407 721	3 014 875	327 484		
Specialized Lending	328 326	194 072	6 941	160 784	23 613	886	22 281	2 574	41 366	3 479	38 666	4 699	363 577	8 958	334 860	18 719	416 091	3 768	440 708	9 982	65 063	71 131	1 743	-	-	1 238 036	211 163	914 587	198 501		
Corporate	466 036	58 486	277 253	32 005	188 852	6 595	87 191	12 918	554 269	245	251 382	1 176	672 559	2 111	377 099	2 976	124 828	863	127 247	1 089	28 730	27 214	300	-	-	2 035 274	68 300	1 147 386	50 464		
Equity	83 382	-	196 654	161	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83 382	-	196 654	161		
TOTAL (FIRB)	2 415 969	589 586	1 033 485	411 810	545 382	14 649	312 165	23 983	2 100 132	21 796	1 131 904	37 881	3 116 878	52 329	2 019 746	74 861	1 433 338	8 824	1 135 511	26 308	238 915	157 359	2 298	-	-	9 850 614	687 184	5 790 170	577 141		
TOTAL	8 039 965	783 594	1 593 933	411 810	692 433	17 479	369 634	23 983	2 697 183	30 514	1 358 403	37 881	4 641 926	73 824	2 370 168	74 861	5 038 389	39 438	2 078 938	26 308	246 865	160 870	2 298	1 531	306	-	21 358 292	944 849	7 932 252	577 141	

* 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 31.12.2015/**

In thousands of BGN

	ASSETS																OFF-BALANCE SHEET COMMITMENTS				DERIVATIVES		REPOS		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				TOTAL		TOTAL					
Exposure class	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	Amount before provisioning	Provision	Amount before provisioning	Provision				
STANDARTISED APPROACH (STA)																												
Central Governments and Central Banks	6 849 519	48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25 495	-	4 581	-	-	-	-	-	6 875 014	48	4 581	
Regional Governments	44 716	231	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 420	-	-	-	-	-	-	-	46 136	231	-	
Public Sector	219	4	1	-	-	-	-	-	-	-	-	-	-	-	-	-	4 309	-	2 188	-	-	-	-	-	4 528	4	2 189	
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11 533	-	-	-	5 385	-	1 531	-	18 449	-	-	
Corporate	158 811	1 316	4 655	3	3	-	-	-	-	-	-	-	-	-	-	-	205 482	-	35 814	1 678	2 565	-	-	-	366 861	1 316	40 469	1 681
Retail	1 056 989	9 199	32 003	1 320	16 500	1 014	240	2	140	140	-	-	447	447	-	-	390 791	-	36 814	171	-	-	-	-	1 464 867	10 800	69 057	1 493
Exposure Secured by Immovable Porperty	1 621 112	4 415	-	-	12 470	373	-	-	-	-	-	-	-	-	-	-	55 304	-	-	-	-	-	-	-	1 688 886	4 788	-	
Past Due Assets	64 853	27 363	11	-	17 452	7 623	2	21	22 954	9 433	60	38	312 665	196 052	194	19	2 898	-	49	-	-	-	-	-	420 822	240 471	316	78
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	553 311	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	553 311	-	-	
Secutitization	64 380	-	100	-	1 190	-	-	-	838	-	-	-	2 396	7	-	-	-	-	-	-	-	-	-	-	68 804	7	100	
TOTAL (STA)	10 413 910	42 576	36 770	1 323	47 615	9 010	242	23	23 932	9 573	60	38	315 508	196 506	194	19	697 232	-	79 446	1 849	7 950	-	1 531	-	11 507 678	257 665	116 712	3 252
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																												
Institutions	1 160 372	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	185 676	-	51	-	134 661	-	-	-	1 480 709	-	51	
Corporate - SME	3 235 291	37 381	36 928	18 449	9 602	4 093	-	-	38 445	6 259	570	-	548 195	359 988	257	-	1 171 219	-	59 708	38 087	10 461	-	-	-	5 013 213	407 721	97 463	56 536
Specialized Lending	851 614	18 257	-	7 669	-	-	-	-	4 323	474	-	-	306 012	192 432	-	-	11 024	-	-	-	65 063	-	-	-	1 238 036	211 163	-	7 669
Corporate	890 304	4 750	419	697	413	-	-	-	26 577	2 573	-	-	49 035	44 536	-	-	1 040 215	16 441	14 005	-	28 730	-	-	-	2 035 274	68 300	14 424	697
Equity	83 382	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83 382	-	-	
TOTAL (FIRB)	6 220 963	60 388	37 347	26 815	10 015	4 093	-	-	69 345	9 306	570	-	903 242	596 956	257	-	2 408 134	16 441	73 764	38 087	238 915	-	-	-	9 850 614	687 184	111 938	64 902
TOTAL	16 634 873	102 964	74 117	28 138	57 630	13 103	242	23	93 277	18 879	630	38	1 218 750	793 462	451	19	3 105 366	16 441	153 210	39 936	246 865	-	1 531	-	21 358 292	944 849	228 650	68 154

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

Exposure class	ASSETS																								TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss	
	AFRICA				ASIA				EUROPE				NORTH AMERICA				AUSTRALIA				SOUTH AMERICA								
	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss					
STANDARTISED APPROACH (STA)																													
Central Governments and Central Banks	-	-	-	-	-	-	-	-	6 849 519	48	10 443	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 849 519	48	10 443	-
Regional Governments	-	-	-	-	-	-	-	-	44 716	231	43 137	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44 716	231	43 137	-
Public Sector	-	-	-	-	-	-	-	-	219	4	214	-	-	-	-	-	-	-	-	-	-	-	-	-	-	219	4	214	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-	158 814	1 316	152 002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	158 814	1 316	152 002	-
Retail	29	-	22	-	138	1	58	-	1 073 863	10 795	690 837	-	15	4	8	-	19	-	14	-	12	-	9	-	-	1 074 076	10 800	690 948	-
Exposure Secured by Immovable Porperty	70	-	25	-	705	1	247	-	1 632 807	4 787	576 053	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 633 582	4 788	576 325	-
Past Due Assets	31	31	-	-	220	36	269	-	417 487	240 364	183 752	-	101	22	79	-	85	18	66	-	-	-	-	-	-	417 924	240 471	184 166	-
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	553 311	-	302 545	-	-	-	-	-	-	-	-	-	-	-	-	-	-	553 311	-	302 545	-
Secutitization	-	-	-	-	-	-	-	-	68 804	7	31 709	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68 804	7	31 709	-
TOTAL (STA)	130	31	47	-	1 063	38	574	-	10 799 540	257 552	1 990 692	-	116	26	87	-	104	18	80	-	12	-	9	-	-	10 800 965	257 665	1 991 489	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																													
Institutions	-	-	-	-	568	-	118	-	1 147 282	-	438 456	429	12 399	-	3 004	2	123	-	-	-	-	-	-	-	-	1 160 372	-	441 578	431
Corporate - SME	-	-	-	-	1 845	13	2 361	26	3 791 840	407 454	2 570 133	318 850	-	-	-	-	37 848	254	33 324	428	-	-	-	-	3 831 533	407 721	2 605 818	319 304	
Specialized Lending	-	-	-	-	-	-	-	-	1 161 949	211 163	835 535	196 605	-	-	-	-	-	-	-	-	-	-	-	-	1 161 949	211 163	835 535	196 605	
Corporate	-	-	-	-	38	-	33	-	926 441	51 827	805 488	41 436	39 850	32	25 142	65	-	-	-	-	-	-	-	-	966 329	51 859	830 663	41 501	
Equity	-	-	-	-	-	-	-	-	83 382	-	196 654	161	-	-	-	-	-	-	-	-	-	-	-	-	83 382	-	196 654	161	
TOTAL (FIRB)	-	-	-	-	2 451	13	2 512	26	7 110 894	670 444	4 846 266	557 481	52 249	32	28 146	67	37 971	254	33 324	428	-	-	-	-	7 203 565	670 743	4 910 248	558 002	
TOTAL	130	31	47	-	3 514	51	3 086	26	17 910 434	927 996	6 836 958	557 481	52 365	58	28 233	67	38 075	272	33 404	428	12	-	9	-	18 004 530	928 408	6 901 737	558 002	

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

	OFF-BALANCE SHEET COMMITMENTS																								TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss
	AFRICA				ASIA				EUROPE				NORTH AMERICA				AUSTRALIA				SOUTH AMERICA							
Exposure class	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss	Amount before provisioning	Booked Provision	RWA	Expected Loss				
STANDARTISED APPROACH (STA)																												
Central Governments and Central Banks	-	-	-	-	-	-	-	-	25 495	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25 495	-	-	
Regional Governments	-	-	-	-	-	-	-	-	1 420	-	710	-	-	-	-	-	-	-	-	-	-	-	-	-	1 420	-	710	
Public Sector	-	-	-	-	-	-	-	-	4 309	-	1 053	-	-	-	-	-	-	-	-	-	-	-	-	-	4 309	-	1 053	
Institutions	-	-	-	-	-	-	-	-	1 246	-	545	-	10 287	-	2 572	-	-	-	-	-	-	-	-	-	11 533	-	3 117	
Corporate	-	-	-	-	571	-	1	-	204 911	-	40 399	-	-	-	-	-	-	-	-	-	-	-	-	-	205 482	-	40 400	
Retail	28	-	10	-	158	-	51	-	390 520	-	91 131	-	23	-	7	-	22	-	8	-	40	-	15	-	390 791	-	91 222	
Exposure Secured by Immovable Porperty	-	-	-	-	-	-	-	-	55 304	-	8 345	-	-	-	-	-	-	-	-	-	-	-	-	-	55 304	-	8 345	
Past Due Assets	-	-	-	-	-	-	-	-	2 898	-	1 929	-	-	-	-	-	-	-	-	-	-	-	-	-	2 898	-	1 929	
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Secutitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (STA)	28	-	10	-	729	-	52	-	686 103	-	144 112	-	10 310	-	2 579	-	22	-	8	-	40	-	15	-	697 232	-	146 776	
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																												
Institutions	-	-	-	-	646	-	104	-	171 981	-	26 152	53	13 049	-	278	-	-	-	-	-	-	-	-	-	185 676	-	26 534	53
Corporate - SME	-	-	-	-	9 569	-	5 309	56	1 161 650	-	393 290	7 916	-	-	-	-	-	-	-	-	-	-	-	-	1 171 219	-	398 599	7 972
Specialized Lending	-	-	-	-	-	-	-	-	11 024	-	7 921	153	-	-	-	-	-	-	-	-	-	-	-	-	11 024	-	7 921	153
Corporate	4 324	-	2 040	5	11 103	-	4 580	10	1 024 774	16 441	282 885	8 648	-	-	-	-	-	-	-	-	14	-	4	-	1 040 215	16 441	289 509	8 663
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (FIRB)	4 324	-	2 040	5	21 318	-	9 993	66	2 369 429	16 441	710 248	16 770	13 049	-	278	-	-	-	-	-	14	-	4	-	2 408 134	16 441	722 563	16 841
TOTAL	4 352	-	2 050	5	22 047	-	10 045	66	3 055 532	16 441	854 360	16 770	23 359	-	2 857	-	22	-	8	-	54	-	19	-	3 105 366	16 441	869 339	16 841

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

	DERIVATIVES												REPOS												TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss	
	AFRICA		ASIA		EUROPE		NORTH AMERICA		AUSTRALIA		SOUTH AMERICA		AFRICA		ASIA		EUROPE		NORTH AMERICA		AUSTRALIA		SOUTH AMERICA						
Exposure class	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss	Amount before provisioning	Expected Loss			
STANDARTISED APPROACH (STA)																													
Central Governments and Central Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Regional Governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Institutions	-	-	-	-	5 385	-	-	-	-	-	-	-	-	-	-	-	1 531	-	-	-	-	-	-	-	-	6 916	-	1 489	-
Corporate	-	-	-	-	2 565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 565	-	2 328	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Exposure Secured by Immovable Porperty	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Past Due Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Secutitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (STA)	-	-	-	-	7 950	-	-	-	-	-	-	-	-	-	-	-	1 531	-	-	-	-	-	-	-	-	9 481	-	3 817	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																													
Institutions	-	-	-	-	134 661	47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134 661	-	48 556	47
Corporate - SME	-	-	-	-	10 461	208	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10 461	-	10 458	208
Specialized Lending	-	-	-	-	65 063	1 743	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65 063	-	71 131	1 743
Corporate	-	-	-	-	28 553	300	177	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28 730	-	27 214	300
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (FIRB)	-	-	-	-	238 738	2 298	177	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	238 915	-	157 359	2 298
TOTAL	-	-	-	-	246 688	2 298	177	-	-	-	-	-	-	-	-	-	1 531	-	-	-	-	-	-	-	-	248 396	-	161 176	2 298

* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY CREDIT QUALITY AND EXPOSURE CLASSES *
/AS OF 31.12.2015/**

In thousands of BGN

		ASSETS					OFF-BALANCE SHEET COMMITMENTS					DERIVATIVES			REPOS			TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
Exposure class	Level of Credit Quality	Amount before provisioning	Provision	Amount after provisioning	Financial collaterals	Guarantees	Amount before provisioning	Provision	Amount after provisioning	Financial collaterals	Guarantees	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	TOTAL Provision	Amount after provisioning	Financial collaterals	Guarantees
STANDARTISED APPROACH (STA)																						
Central Governments and Central Banks	1	-	-	-	-	-	28	-	28	-	-	-	-	-	-	-	28	-	-	28	-	-
	2	-	-	-	-	-	2	-	2	-	-	-	-	-	-	-	2	-	-	2	-	-
	3	-	-	-	-	-	25	-	25	-	-	-	-	-	-	-	25	-	-	25	-	-
	4	2 524 737	48	2 524 689	-	-	25 440	-	25 440	4 581	-	-	-	-	-	-	2 550 177	48	2 550 129	4 581	-	-
	Unrated	4 324 782		4 324 782	-	-	-	-	-	-	-	-	-	-	-	-	4 324 782	-	4 324 782	-	-	-
Central Governments and Central Banks		6 849 519	48	6 849 471	-	-	25 495	-	25 495	4 581	-	-	-	-	-	-	6 875 014	48	6 874 966	4 581	-	-
Regional Governments	4	2 705	7	2 698	-	-	-	-	-	-	-	-	-	-	-	-	2 705	7	2 698	-	-	-
	Unrated	42 011	224	41 787	-	-	1 420	-	1 420	-	-	-	-	-	-	-	43 431	224	43 207	-	-	-
Regional Governments		44 716	231	44 485	-	-	1 420	-	1 420	-	-	-	-	-	-	-	46 136	231	45 905	-	-	-
Public Sector	Unrated	219	4	215	1	-	4 309	-	4 309	2 188	-	-	-	-	-	-	4 528	4	4 524	2 189	-	-
Public Sector		219	4	215	1	-	4 309	-	4 309	2 188	-	-	-	-	-	-	4 528	4	4 524	2 189	-	-
Institutions	Unrated	-	-	-	-	-	11 533	-	11 533	-	-	5 385	-	5 385	1 531	-	1 531	18 449	-	18 449	-	-
Institutions		-	-	-	-	-	11 533	-	11 533	-	-	5 385	-	5 385	1 531	-	1 531	18 449	-	18 449	-	-
Corporates	Unrated	158 814	1 316	157 498	4 655	3	205 482	-	205 482	35 814	1 678	2 565	-	2 565	-	-	-	366 861	1 316	365 545	40 469	1 681
Corporates		158 814	1 316	157 498	4 655	3	205 482	-	205 482	35 814	1 678	2 565	-	2 565	-	-	-	366 861	1 316	365 545	40 469	1 681
Retail	Unrated	1 074 076	10 800	1 063 276	32 243	1 322	390 791	-	390 791	36 814	171	-	-	-	-	-	-	1 464 867	10 800	1 454 067	69 057	1 493
Retail		1 074 076	10 800	1 063 276	32 243	1 322	390 791	-	390 791	36 814	171	-	-	-	-	-	-	1 464 867	10 800	1 454 067	69 057	1 493
Exposure Secured by Immovable Porperty	Unrated	1 633 582	4 788	1 628 794	-	-	55 304	-	55 304	-	-	-	-	-	-	-	-	1 688 886	4 788	1 684 098	-	-
Exposure Secured by Immovable Porperty		1 633 582	4 788	1 628 794	-	-	55 304	-	55 304	-	-	-	-	-	-	-	-	1 688 886	4 788	1 684 098	-	-
Past Due Assets	Unrated	417 924	240 471	177 453	267	78	2 898	-	2 898	49	-	-	-	-	-	-	-	420 822	240 471	180 351	316	78
Past Due Assets		417 924	240 471	177 453	267	78	2 898	-	2 898	49	-	-	-	-	-	-	-	420 822	240 471	180 351	316	78
Equity	Unrated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	Unrated	553 311	-	553 311	-	-	-	-	-	-	-	-	-	-	-	-	-	553 311	-	553 311	-	-
Other Assets		553 311	-	553 311	-	-	-	-	-	-	-	-	-	-	-	-	-	553 311	-	553 311	-	-
Securitisation	Unrated	68 804	7	68 797	100	-	-	-	-	-	-	-	-	-	-	-	-	68 804	7	68 797	100	-
Securitisation		68 804	7	68 797	100	-	-	-	-	-	-	-	-	-	-	-	-	68 804	7	68 797	100	-
TOTAL		10 800 965	257 665	10 543 300	37 266	1 403	697 232	-	697 232	79 446	1 849	7 950	-	7 950	1 531	-	1 531	11 507 678	257 665	11 250 013	116 712	3 252

* WITHOUT CREDIT RISK MITIGATION EFFECTS

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

/AS OF 31.12.2015/

In thousands of BGN

						INSTITUTIONS**						CORPORATES**						EQUITY						TOTAL Amount before provisioning	TOTAL Provision	TOTAL Guarantees	TOTAL Financial collaterals	TOTAL Real Estate	TOTAL Expected Loss
Notch	Average PD	Average Risk Weight	Average LGD	Average CCF	Number of Obligors	Amount before provisioning	Provision	Guarantees	Financial collaterals	Real Estate	Expected Loss	Amount before provisioning	Provision	Guarantees	Financial collaterals	Real Estate	Expected Loss	Amount before provisioning	Provision	Guarantees	Financial collaterals	Real Estate	Expected Loss	TOTAL Amount before provisioning	TOTAL Provision	TOTAL Guarantees	TOTAL Financial collaterals	TOTAL Real Estate	TOTAL Expected Loss
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																													
1					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	0.03%	18.43%	44.99%	47.85%	23	52 091	-	-	-	-	4	31 062	-	-	15	-	2	-	-	-	-	-	-	83 153	-	-	15	-	6
3	0.04%	23.88%	45.00%	36.51%	22	41 792	-	-	-	-	5	21 894	-	-	-	-	1	-	-	-	-	-	-	63 686	-	-	-	-	6
4	0.06%	31.86%	45.00%	32.13%	14	38 272	-	-	-	-	5	8 777	-	-	-	-	2	-	-	-	-	-	-	47 049	-	-	-	-	7
5	0.08%	37.27%	44.92%	92.92%	25	1 299 271	-	-	-	-	466	82 337	3	-	751	9 999	14	-	-	-	-	-	-	1 381 608	3	-	751	9 999	480
6	0.11%	32.20%	43.97%	70.00%	25	8 661	-	-	-	-	2	94 180	10	-	1 188	7 968	32	-	-	-	-	-	-	102 841	10	-	1 188	7 968	34
7	0.15%	38.04%	43.83%	42.11%	28	5 820	-	-	-	-	1	396 480	14	-	2 016	16 020	114	-	-	-	-	-	-	402 300	14	-	2 016	16 020	115
8	0.20%	39.97%	41.72%	64.45%	79	6 136	-	-	-	-	-	164 375	32	-	2 136	42 530	91	-	-	-	-	-	-	170 511	32	-	2 136	42 530	91
9	0.26%	43.89%	41.18%	76.10%	106	9 798	-	-	51	-	1	159 026	62	345	6 944	36 128	137	-	-	-	-	-	-	168 824	62	345	6 995	36 128	138
10	0.36%	55.21%	42.28%	70.73%	183	329	-	-	-	-	-	585 465	244	1 927	17 460	82 075	631	-	-	-	-	-	-	585 794	244	1 927	17 460	82 075	631
11	0.51%	63.71%	42.85%	76.91%	166	1 369	-	-	-	-	2	420 177	267	200	4 552	60 568	703	-	-	-	-	-	-	421 546	267	200	4 552	60 568	705
12	0.65%	70.00%	42.73%	87.05%	196	16 610	-	-	-	-	42	461 771	472	5 957	3 951	85 810	1 110	-	-	-	-	-	-	478 381	472	5 957	3 951	85 810	1 152
13	0.92%	75.44%	40.93%	88.08%	238	-	-	-	-	-	-	475 680	760	4 220	20 993	127 310	1 566	-	-	-	-	-	-	475 680	760	4 220	20 993	127 310	1 566
14	1.19%	89.79%	42.68%	91.04%	255	554	-	-	-	-	2	773 542	1 705	4 069	7 192	146 037	3 563	-	-	-	-	-	-	774 096	1 705	4 069	7 192	146 037	3 565
15	1.69%	96.76%	42.22%	91.41%	217	-	-	-	-	-	-	509 288	1 577	665	10 220	93 519	3 308	-	-	-	-	-	-	509 288	1 577	665	10 220	93 519	3 308
16	2.35%	97.04%	41.99%	86.12%	226	-	-	-	-	-	-	397 356	1 500	1 658	3 194	100 041	3 357	-	-	-	-	-	-	397 356	1 500	1 658	3 194	100 041	3 357
17	3.10%	98.30%	40.85%	84.14%	249	-	-	-	-	-	-	632 212	3 160	30 877	6 294	202 724	6 610	-	-	-	-	-	-	632 212	3 160	30 877	6 294	202 724	6 610
18	4.34%	108.03%	40.05%	95.16%	279	-	-	-	-	-	-	596 445	5 189	355	13 831	248 551	9 839	-	-	-	-	-	-	596 445	5 189	355	13 831	248 551	9 839
19	5.79%	124.58%	41.67%	84.20%	72	-	-	-	-	-	-	136 280	1 247	862	786	37 749	2 740	-	-	-	-	-	-	136 280	1 247	862	786	37 749	2 740
20	7.92%	138.44%	39.95%	84.79%	140	-	-	-	-	-	-	192 117	2 287	6 098	6 277	78 400	5 059	-	-	-	-	-	-	192 117	2 287	6 098	6 277	78 400	5 059
21	10.83%	147.39%	40.23%	97.09%	49	-	-	-	-	-	-	76 536	1 673	-	2 082	27 573	3 235	-	-	-	-	-	-	76 536	1 673	-	2 082	27 573	3 235
22	12.92%	176.52%	45.00%	75.57%	1	-	-	-	-	-	-	20	-	-	-	-	1	-	-	-	-	-	-	20	-	-	-	-	1
23	20.77%	183.39%	40.30%	91.46%	19	5	-	-	-	-	1	47 819	1 798	-	34	21 834	3 666	-	-	-	-	-	-	47 824	1 798	-	34	21 834	3 667
24	100%	0.00%	44.74%	100%	3	-	-	-	-	-	-	4 600	4 417	-	-	121	2 058	-	-	-	-	-	-	4 600	4 417	-	-	121	2 058
25	100%	0.00%	42.66%	99.00%	440	-	-	-	-	-	-	746 806	430 935	-	1 971	164 888	315 356	-	-	-	-	-	-	746 806	430 935	-	1 971	164 888	315 356
26	100%	0.00%	43.08%	100%	7	-	-	-	-	-	-	34 243	18 669	-	-	6 567	14 753	-	-	-	-	-	-	34 243	18 669	-	-	6 567	14 753
Strong	N/A	70.00%	N/A	100%	57	-	-	-	-	-	-	49 094	86	-	-	32 293	196	-	-	-	-	-	-	49 094	86	-	-	32 293	196
Good	N/A	89.47%	N/A	99.36%	8	-	-	-	-	-	-	232 436	1 748	-	1 307	124 155	1 838	-	-	-	-	-	-	232 436	1 748	-	1 307	124 155	1 838
Satisfactory	N/A	113.64%	N/A	99.63%	34	-	-	-	-	-	-	596 360	6 057	7 669	1 158	242 228	16 397	-	-	-	-	-	-	596 360	6 057	7 669	1 158	242 228	16 397
Weak	N/A	-	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Default	N/A	0.00%	N/A	100%	117	-	-	-	-	-	-	360 146	203 272	-	6	59 809	180 070	-	-	-	-	-	-	360 146	203 272	-	6	59 809	180 070
Equity	N/A	235.85%	N/A	100%	14	-	-	-	-	-	-	-	-	-	-	-	-	83 382	-	-	-	-	-	83 382	-	-	-	-	161
TOTAL	-	-	-	-	3 292	1 480 708	-	-	51	-	531	8 286 524	687 184	64 902	114 358	2 054 897	576 449	83 382	-	-	-	-	161	9 850 614	687 184	64 902	114 409	2 054 897	577 141

* WITHOUT CREDIT RISK MITIGATION EFFECTS

** INCLUDING DERIVATIVES AND REPOS