UniCredit Bulbank

ANNUAL DISCLOSURE

YEAR 2014

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 2014 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 Reputantional 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 (Basel 2.5). 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 2014 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 2014 the Bank's Management continued prudent risk management practice with primary focus on client-driven business.

Status of Basel 2.5 /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.

UniCedit 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".

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 Committee[1] 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 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

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

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 undependently 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: Corporate[2]; Institutions; Specialized Lending[3]; and Equity claims[4];
- Standadized Approach for classes[5]: 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 Appoach.

For Operational Risk:

- Advanced Measurement Approach.

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***.

[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.

5. Exposures to counterparty credit risk

Counterparty credit risk arises from exposures due to the following:

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

For the purposes of mitigating the counterparty risk and settlement risk, the Bank has approved credit limits.
UniCredit Bulbank AD employes 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 ofderivatives.

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.

Distiribution 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 requiements 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 consiolidated 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 Parlament 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

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 for period of 30 months), the EIF provides guarantee for coverage of first loss (First Loss Portfolio Guaranee-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 securitisationand for regulatory purposes, UniCredit Bulbank AD applies Standartised approach for calculation of capital requirements of credit risk.

As of 31.12.2014, the allocation of tranches is as follow:
Nominal value of the portfolio: 71 133 ths.BGN
First Loss Tranche: 19 531 ths.BGN
Second Loss Tranche: 37 375 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 31.12.2014):

in thousands of BGN

	Carrying amount of encumbered assets	**Carrying amount of non-encumbered assets**
Assets:	**688 254**	**13 969 758**
Debt securities	418 022	1 276 986
Loans and advances	270 232	12 075 877
Other assets	-	616 895
	Fair value of encumbered collateral received	**Fair value of collateral received non-encumbered**
Collateral received:	**94 349**	**149 516**
Collateral received available for encumbrance	94 349	149 516
	Matching liabilities	**Eencumbered assets and collateral received**
Total sources of encumbrance:	**700 061**	**782 603**
Repurchase agreements	290 236	324 004
Collateralised deposits other than repurchase agreements	409 825	458 599

As of 31.12.2014, there is no overcollaterisation of liabilities with encumbered assets in the Bank.

14. Internal Rating Based Approach

When applying Internal Rating Based Approach for calculation of capital requirements for credit risk, UniCredit Bulbank AD uses several rating models[6] in order to carry out clients' creditworthiness analyses. Rating models can be generally summarized as:

1. Group-wide rating models (GWM)

Group wide rating models[7] 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 Companies[8]; 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);

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 operatative 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)

[6] UniCredit Bulbank AD uses master scale for rating result competability.
[7] Group wide rating models are developed by UCI Holding Company (HC) and are adopted by UniCredit Bulbank AD.
[8] Companies with turnover over 500 mln euro.

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”.

15. 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 receivalbes;
- 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 requiements 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 centainty 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.

16. 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.

17. Remuneration policy

The Compensation Policy of UniCredit Bulbank AD is determined by the Management Board and approved by the Supervisory Board of the Bank. The Policy is a 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 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 Compensation Committee determines on behalf of the Supervisory Board, the individual compensation of the Bank's Management Board members including the Executive Directors. The Compensation Committee consists of two members- Supervisory board Chairman and a Supervisory board member. The 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. The Bank guarantees appropriate balance of fixed and variable compensation elements, avoiding a prevalence of the variable part. This excludes encouraging of behaviors not aligned to the company'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 economic results and consistent with local market practice.
The Incentive Systems evaluated from a "bottom-up" approach with predeterminated individual target opportunities to a "top down" approach with provisioned bonus pool, eliminating the predetermined "bonus opportunity". Bonus pool is determined on the base of

expected profitability, business strategy and results and market context and external benchmarking.
In addition, 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 results achieved by the Bank and are not in accordance to the UniCredit Group reported results.

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 goals at Bank level, performance of 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. 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.

According to the Bulgarian 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 at Group and local level are determined certain specific performance indicators, such as annual profitability, solidity and liquidity, etc., 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 6-year period (2015-2020) and accounts 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) subject to a continuous employment and achieved results.

The schemes of variable compensation (bonus) payout for the staff categories for whom 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	Cash	Shares	Shares	Shares
EVP & above & other identified staff with bonus	20%	15%	15%	20%	15%	15%
SVP & other identified staff with bonus	30%	10%	10%	30%	10%	10%

For 2014 year this group includes the Executive Directors of the UniCredit Bulbank, Leasing and Consumer Financing, the Members of the Management board of the bank and the Managers of Control functions.

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

2014 Executive's Compensation									
Staff category	Number of participants	Total fixed compensation for 2014	Total variable compensation for 2014	Deferred variable compensation depending on the year of payment and underlying instruments					
				Cash	Cash	Cash	Shares	Shares	Shares
				2015	2016	2017	2018	2019	2020
Senior Management	**12**	**4 196**	**3 702**	**988**	**435**	**435**	**865**	**435**	**435**

APPENDIX 1A

BALANCE SHEET RECONCILIATION METHODOLOGY /AS OF 31.12.2014/

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 2014 of the positions included in the calculation of CET 1	**285 777**	**-14 040**	**1 727 337**	**241 657**	**-23 211**		**-**	**2 217 520**
Regulatory corrections of CET 1								
Correction of Cash flow hedges reserves	-	36 657	-	-	-		-	36 657
Current year profit, not yet eligible for own funds inclusion	-	-	-	-241 657	-		-	-241 657
Deferred tax liabilities associated to intangible assets	-	-	-	-	1 102			1 102
Shortfall related to performing exposures treated under F-IRB	-	-	-	-	-		-34 633	-34 633
Total regulatory corrections of CET 1 (fully loaded)	**-**	**36 657**	**-**	**-241 657**	**1 102**		**-34 633**	**238 531**
Core Equity Tier 1 (CET 1) (fully loaded)	**285 777**	**22 617**	**1 727 337**	**-**	**-22 109**		**-34 633**	**1 978 989**
Correction of positive revaluation reserve related to available for sale financial assets (transitional provisions)	-	-25 860	-	-	-		-	-25 860
40% from shortfall related to performing exposures treated under F-IRB (transitional provisions)							13 852	13 852
Total regulatory corrections of CET 1 (transitional provisions)	**-**	**-25 860**	**-**	**-**	**-**		**13 852**	**-12 008**
Core Equity Tier 1 (CET 1) (transitional provisions)	**285 777**	**-3 243**	**1 727 337**	**-**	**-22 109**		**-20 781**	**1 966 981**
Balances as at 31 December 2014 of the positions included in the calculation of Tier 2						**70 596**		**70 596**
Regulatory corrections of Tier 2								
Amortized part of the subordinated debt, not recognized for own funds inclusion						-66 523		-66 523
Excess of loan loss provisions over expected loss on defaulted exposures treated under F-IRB (capped to 0.6% from F-IRB RWA)						-	36 184	36 184
Total regulatory corrections of Tier 2 (fully loaded)						**-66 523**	**36 184**	**-30 339**
Tier 2 capital (fully loaded)						**4 073**	**36 184**	**40 257**
40% from shortfall related to performing exposures treated under F-IRB (transitional provisions)							-13 852	-13 852
Total regulatory corrections of Tier 2 (transitional provisions)						**-**	**-13 852**	**-13 852**
Tier 2 capital (transitional provisions)						**4 073**	**22 332**	**26 405**
Total own funds (fully loaded)	**285 777**	**22 617**	**1 727 337**	**-**	**-22 109**	**4 073**	**1 551**	**2 019 246**
Total own funds (transitional provisions)	**285 777**	**-3 243**	**1 727 337**	**-**	**-22 109**	**4 073**	**1 551**	**1 993 386**

UniCredit Bulbank

APPENDIX 1B

CAPITAL INSTRUMENTS' MAIN FEATURES TEMPLATE
/AS OF 31.12.2014/

In thousands of BGN

Capital instruments' main features template ([1])			
1	Issuer	UniCredit Bank Austria AG	UniCredit Bank Austria AG
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement	N/A	N/A
3	Governing law(s) of the instrument	Bulgarian/Austrian	Bulgarian/Austrian
	Regulatory treatment		
4	Transitional CRR rules	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2
6	Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo & Consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63
8	Amount recognised in regulatory capital (in TBGN as of December 31, 2014)	585	3 488
9	Nominal amount of instrument (in TBGN)	25 426	29 337
9a	Issue price	100 per cent	100 per cent
9b	Redemption price	100 per cent of Nominal amount	100 per cent of Nominal amount
10	Accounting classification	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	03.Feb.05	02.Aug.08
12	Perpeptual or dated	dated	dated
13	Original maturity date	11.Feb.15	31.Jul.18
14	Issuer call subjet to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates, and redemption amount	Outstanding debt + accrued interest	Outstanding debt + accrued interest
16	Subsequent call dates, if applicable	partial or full prepayment is posible at the end of an interest period subject to BNB approval	partial or full prepayment is posible at the end of an interest period subject to BNB approval
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	EURIBOR3M+fixed margin	EURIBOR3M+fixed margin
19	Existence of a dividend stopper	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible
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, specifiy instrument type convertible into	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
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 hierachy in liquidation (specify instrument type immediately senior to instrument)	Senior loans	Senior loans
36	Non-compliant transitioned features	No	No
37	If yes, specifiy non-compliant features	N/A	N/A
(1) 'N/A' inserted if the question is not applicable			

UniCredit Bulbank

APPENDIX 1C

TRANSITIONAL OWN FUNDS DISCLOSURE TEMPLATE /AS OF 31.12.2014/

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	1 727 337	26 (1) (c)	N/A
3	Accumulated other comprehensive income (and any other reserves)	-14 040	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**	**1 999 074**		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)	-4 422	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	36 657	33 (a)	N/A
12	Negative amounts resulting from the calculation of expected loss amounts	-6 927	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 (negatvie 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	-25 860		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)	-31 541	36 (1) (j)	N/A
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-32 093		N/A
29	**Common Equity Tier 1 (CET1) capital**	**1 966 981**		N/A
	Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	-	51, 52	N/A
31	of which: classified as equity under applicable accounting standards	-		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
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	-31 541	472, 473(3)(a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	N/A
	thereof: Intangible assets	-17 689	472 (4)	
	thereof: IRB shortfall of provisions to expected losses	-13 852	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	-31 541		N/A
44	Additional Tier 1 (AT1) capital	-		N/A
45	**Tier 1 capital (T1 = CET1 + AT1)**	**1 966 981**		N/A
	Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	4 073	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	36 184	62 (c) & (d)	N/A
51	**Tier 2 (T2) capital before regulatory adjustment**	**40 257**		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 befor 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	-13 852	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	-13 852		N/A
58	**Tier 2 (T2) capital**	**26 405**		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
59	**Total capital (TC = T1 + T2)**	**1 993 386**		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) ©, 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**	**9 538 761**		N/A
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	20.6%	92 (2) (a), 465	N/A
62	Tier 1 (as a percentage of total risk exposure amount	20.6%	92 (2) (b), 465	N/A
63	Total capital (as a percentage of total risk exposure amount	20.9%	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	558	36 (1) (h), 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)	36 184	62	N/A
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	36 184	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

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APPENDIX 2

CAPITAL REQUIREMENTS
SUMMARY INFORMATION BY EXPOSURE CLASSES
/AS OF 31.12.2014/

In thousands of BGN

Capital Requirements – Risk Exposures	Total
Risk Weighted Assets (RWA) for credit risk	
Risk Weighted Assets under standardized approach	**2 544 802**
Central Governments and Central Banks	136 663
Regional Governments	49 853
Public Sector	2 249
Institutions	8 746
Corporates	208 681
Retail	857 521
Exposure Secured by Immovable Porperty	569 502
Past Due Assets	255 479
Equity	158 208
Other exposures	297 900
Securitisation Position under STA	33 174
Risk Weighted Assets under F-IRB	**6 030 739**
Central Governments and Central Banks	-
Institutions	742 656
Corporates – SME	3 294 987
Specialised Lending /Slotting/	788 427
Corporates	1 197 092
Equity IRB	7 577
Total RWA for credit risk	**8 608 715**
Risk Weighted Assests for market risk	**21 176**
Traded debt instruments:	20 938
General and specific rsik	*20 938*
Specific risk securitisation positions	-
Specific risk correlation trading portfolio	-
Equity	63
Foreign Exchange	-
Commodities	175
Risk Weighted Assets for operational risk	**900 150**
OpR Basic indicator approach	-
OpR Standartised (STA) approach	-
OpR Advanced Measurement Approaches (AMA)	900 150
RWA for Credit Valuation Adjustment (CVA) under STA	**8 720**
Total RWA for credit risk, market risk and operational risk	**9 538 761**

APPENDIX 3

AVERAGE AMOUNT OF THE EXPOSURES, BROKEN DOWN BY EXPOSURE CLASSES * /AS OF 31.12.2014/

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	72 026	3 673 351	1	136 663	-	52	2 927	-	-	-	-	-	-	-	-	-	**3 676 278**	**1**	**136 663**	**-**
Regional Governments	3 048	48 764	126	48 638	-	410	2 457	-	1 215	-	-	-	-	-	-	-	**51 221**	**126**	**49 853**	**-**
Public Sector	9	418	6	380	-	67	5 326	-	1 869	-	-	-	-	-	-	-	**5 744**	**6**	**2 249**	**-**
Institutions	-	-	-	-	-	246	983	-	492	-	5 015	1 309	-	34 728	6 945	-	**40 726**	**-**	**8 746**	**-**
Corporate	589	160 848	473	147 080	-	159	166 792	-	48 769	-	8 963	8 963	-	3 869	3 869	-	**340 472**	**473**	**208 681**	**-**
Retail	8	1 196 614	12 329	776 767	-	3	374 513	-	80 754	-	-	-	-	-	-	-	**1 571 127**	**12 329**	**857 521**	**-**
Exposure Secured by Immovable Porperty	52	1 594 370	5 081	560 583	-	48	65 341	-	8 919	-	-	-	-	-	-	-	**1 659 711**	**5 081**	**569 502**	**-**
Past Due Assets	7	493 040	266 054	250 641	-	31	10 758	5 675	4 838	-	-	-	-	-	-	-	**503 798**	**271 729**	**255 479**	**-**
Equity	12 657	63 283	-	158 208	-	-	-	-	-	-	-	-	-	-	-	-	**63 283**	**-**	**158 208**	**-**
Other Assets	429	584 971	-	297 900	-	-	-	-	-	-	-	-	-	-	-	-	**584 971**	**-**	**297 900**	**-**
Secutitization	196	56 906	18	33 174	-	-	-	-	-	-	-	-	-	-	-	-	**56 906**	**18**	**33 174**	**-**
TOTAL (STA)	**-**	**7 872 565**	**284 088**	**2 410 034**	**-**	**-**	**629 097**	5 675	**146 856**	**-**	**13 978**	**10 272**	**-**	**38 597**	**10 814**	**-**	**8 554 237**	**289 763**	**2 577 976**	**-**
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																				
Institutions	15 173	1 623 496	-	681 695	844	862	178 340	-	26 685	101	88 338	34 276	36	-	-	-	**1 890 174**	**-**	**742 656**	**981**
Corporate - SME	573	3 621 247	366 910	2 841 352	286 721	127	1 076 477	-	442 376	7 002	10 153	11 259	187	-	-	-	**4 707 877**	**366 910**	**3 294 987**	**293 910**
Specialized Lending	3 004	1 222 618	209 925	712 671	232 935	521	18 739	-	3 238	37	74 656	72 518	1 846	-	-	-	**1 316 013**	**209 925**	**788 427**	**234 818**
Corporate	2 006	1 019 211	45 933	971 519	30 207	654	734 726	14 772	202 598	7 425	17 761	22 975	325	-	-	-	**1 771 698**	**60 705**	**1 197 092**	**37 957**
Equity	420	3 780	-	7 577	30	-	-	-	-	-	-	-	-	-	-	-	**3 780**	**-**	**7 577**	**30**
TOTAL (FIRB)	**-**	**7 490 352**	**622 768**	**5 214 814**	**550 737**	**-**	**2 008 282**	**14 772**	**674 897**	**14 565**	**190 908**	**141 028**	**2 394**	**-**	**-**	**-**	**9 689 542**	**637 540**	**6 030 739**	**567 696**
TOTAL	**-**	**15 362 917**	**906 856**	**7 624 848**	**550 737**	**-**	**2 637 379**	**20 447**	**821753**	**14 565**	**204 886**	**151 300**	**2 394**	**38597**	**10 814**	**-**	**18 243 779**	**927 303**	**8 608 715**	**567 696**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

UniCredit Bulbank

APPENDIX 4A

AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES *
/AS OF 31.12.2014/

In thousands of BGN

	ASSETS																						
	LOANS AND ADVANCES TO CUSTOMERS										LOANS AND ADVANCES TO BANKS	DEBT SECURITIES				OTHERS			TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss
	Agriculture and Forestry	Commerce	Construction and Real Estate	Financial services	Manufacturing	Public Administration	Retail (individuals)	Services	Tourism	Transport and Communication	Financial services	Financial services	Public Administration	Construction and Real Estate	Transport and Communication	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				
STANDARTISED APPROACH (STA)																						
Central Governments and Central Banks	-	-	-	-	-	1 260 995	-	-	-	-	28	-	1 617 407	-	-	793 377	1 544	-	**3 673 351**	**1**	**136 663**	-
Regional Governments	-	-	-	-	-	43 101	-	-	-	-		-	-	-	-	-	5 663	-	**48 764**	**126**	**48 638**	-
Public Sector	-	-	-	-	-	-	418	-	-	-	-	-	-	-	-	-	-	-	**418**	**6**	**380**	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate	316	12 917	4 258	50 859	17 905	-	5 844	617	257	8 243		-	-	-	-	-	-	59 632	**160 848**	**473**	**147 080**	-
Retail	68 404	150 236	30 616	540	65 401	-	781 511	44 658	9 056	45 669	11	-	-	-	-	-	-	512	**1 196 614**	**12 329**	**776 767**	-
Exposure Secured by Immovable Porperty	23 154	120 896	43 453	3 894	59 909	-	1 284 326	24 785	12 723	21 230	-	-	-	-	-	-	-	-	**1 594 370**	**5 081**	**560 583**	-
Past Due Assets	4 418	70 483	58 681	329	26 867	1	291 428	19 661	8 590	12 582	-	-	-	-	-	-	-	-	**493 040**	**266 054**	**250 641**	-
Equity	-	-	-	-	-	-	-	-	-	-	-	62 561	-	67	655	-	-	-	**63 283**	-	**158 208**	-
Other Assets	-	-	-	-	-	-	-	-	-	-	3 954	-	-	-	-	4 480	-	576 537	**584 971**	-	**297 900**	-
Secutitization	112	38 845	2 948	41	10 413	-	43	2 775	95	1 634		-	-	-	-	-	-	-	**56 906**	**18**	**33 174**	-
TOTAL (STA)	**96 404**	**393 377**	**139 956**	**55 663**	**180 495**	**1 304 097**	**2 363 570**	**92 496**	**30 721**	**89 358**	**3 993**	**62 561**	**1 617 407**	**67**	**655**	**797 857**	**7 207**	**636 681**	**7 872 565**	**284 088**	**2 410 034**	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																						
Institutions	-	-	-	-	-	-	-	-	-	-	1 623 496	-	-	-	-	-	-	-	**1 623 496**	-	**681 695**	**844**
Corporate - SME	277 103	1 331 259	455 639	-	1 095 372	-	-	215 315	98 626	147 933	-	-	-	-	-	-	-	-	**3 621 247**	**366 910**	**2 841 352**	**286 721**
Specialized Lending	4 233	32 266	926 252	9 772	225 720	-	-	23 916	-	459	-	-	-	-	-	-	-	-	**1 222 618**	**209 925**	**712 671**	**232 935**
Corporate	245	295 129	38 563	66 184	500 658	-	-	88 809	11 457	17 907	-	-	-	-	-	259	-	-	**1 019 211**	**45 933**	**971 519**	**30 207**
Equity	-	-	-	-	-	-	-	-	-	-	-	3 780	-	-	-	-	-	-	**3 780**	-	**7 577**	**30**
TOTAL (FIRB)	**281 581**	**1 658 654**	**1 420 454**	**75 956**	**1 821 750**	-	-	**328 040**	**110 083**	**166 299**	**1 623 496**	**3 780**	-	-	-	**259**	-	-	**7 490 352**	**622 768**	**5 214 814**	**550 737**
TOTAL	**377 985**	**2 052 031**	**1 560 410**	**131 619**	**2 002 245**	**1 304 097**	**2 363 570**	**420 536**	**140 804**	**255 657**	**1 627 489**	**66 341**	**1 617 407**	**67**	**655**	**798 116**	**7 207**	**636 681**	**15 362 917**	**906 856**	**7 624 848**	**550 737**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

APPENDIX 4B

AMOUNT OF THE EXPOSURES, BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES * /AS OF 31.12.2014/

In thousands of BGN

	OFF-BALANCE SHEET COMMITMENTS														
	LOANS AND ADVANCES TO CUSTOMERS										LOANS AND ADVANCES TO BANKS	TOTAL Amount before provisioning	TOTAL Booked Provision	TOTAL RWA	TOTAL Expected Loss
	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	-	-	-	-	-	2 927	-	-	-	-	-	**2 927**	-	-	-
Regional Governments	-	-	-	-	-	2 457	-	-	-	-	-	**2 457**	-	**1 215**	-
Public Sector	-	-	-	-	-	-	5 326	-	-	-	-	**5 326**	-	**1 869**	-
Institutions	-	-	-	983	-	-	-	-	-	-	-	**983**	-	**492**	-
Corporate	2 386	26 514	58 007	39 868	8 180	-	2 691	21 586	379	7 181	-	**166 792**	-	**48 769**	-
Retail	19 609	67 197	20 366	962	30 014	-	186 693	25 940	3 334	20 398	-	**374 513**	-	**80 754**	-
Exposure Secured by Immovable Porperty	4 884	15 032	22 363	258	10 260	-	3 655	4 109	1 615	3 165	-	**65 341**	-	**8 919**	-
Past Due Assets	-	6 036	75	2	4 197	10	313	3	67	55	-	**10 758**	**5 675**	**4 838**	-
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secutitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (STA)	**26 879**	**114 779**	**100 811**	**42 073**	**52 651**	**5 394**	**198 678**	**51 638**	**5 395**	**30 799**	**-**	**629 097**	**5 675**	**146 856**	**-**
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)															
Institutions	-	-	-	73 450	-	-	-	-	-	-	104 890	**178 340**	-	**26 685**	**101**
Corporate - SME	31 140	451 346	176 046	-	268 022	-	-	81 269	3 575	65 079	-	**1 076 477**	-	**442 376**	**7 002**
Specialized Lending	-	1 510	13 858	587	2 770	-	-	14	-	-	-	**18 739**	-	**3 238**	**37**
Corporate	4 283	291 700	131 695	10 268	229 970	-	-	14 256	-	52 554	-	**734 726**	**14 772**	**202 598**	**7 425**
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (FIRB)	**35 423**	**744 556**	**321 599**	**84 305**	**500 762**	**-**	**-**	**95 539**	**3 575**	**117 633**	**104 890**	**2 008 282**	**14 772**	**674 897**	**14 565**
TOTAL	**62 302**	**859 335**	**422 410**	**126 378**	**553 413**	**5 394**	**198 678**	**147 177**	**8 970**	**148 432**	**104 890**	**2 637 379**	**20 447**	**821 753**	**14 565**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

APPENDIX 4C

AMOUNT OF THE EXPOSURES, BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES * /AS OF 31.12.2014/

In thousands of BGN

	TOTAL																	
	ASSETS				OFF-BALANCE SHEET COMMITMENTS				DERIVATIVES			REPOS						
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	**TOTAL Amount before provisioning**	**TOTAL Booked Provision**	**TOTAL RWA**	**TOTAL Expected Loss**
STANDARTISED APPROACH (STA)																		
Central Governments and Central Banks	3 673 351	1	136 663	-	2 927	-	-	-	-	-	-	-	-	-	**3 676 278**	**1**	**136 663**	-
Regional Governments	48 764	126	48 638	-	2 457	-	1 215	-	-	-	-	-	-	-	**51 221**	**126**	**49 853**	-
Public Sector	418	6	380	-	5 326	-	1 869	-	-	-	-	-	-	-	**5 744**	**6**	**2 249**	-
Institutions	-	-	-	-	983	-	492	-	5 015	1 309	-	34 728	6 945	-	**40 726**	**-**	**8 746**	-
Corporate	160 848	473	147 080	-	166 792	-	48 769	-	8 963	8 963	-	3 869	3 869	-	**340 472**	**473**	**208 681**	-
Retail	1 196 614	12 329	776 767	-	374 513	-	80 754	-	-	-	-	-	-	-	**1 571 127**	**12 329**	**857 521**	-
Exposure Secured by Immovable Porperty	1 594 370	5 081	560 583	-	65 341	-	8 919	-	-	-	-	-	-	-	**1 659 711**	**5 081**	**569 502**	-
Past Due Assets	493 040	266 054	250 641	-	10 758	5 675	4 838	-	-	-	-	-	-	-	**503 798**	**271 729**	**255 479**	-
Equity	63 283	-	158 208	-	-	-	-	-	-	-	-	-	-	-	**63 283**	**-**	**158 208**	-
Other Assets	584 971	-	297 900	-	-	-	-	-	-	-	-	-	-	-	**584 971**	**-**	**297 900**	-
Secutitization	56 906	18	33 174	-	-	-	-	-	-	-	-	-	-	-	**56 906**	**18**	**33 174**	-
TOTAL (STA)	**7 872 565**	**284 088**	**2 410 034**	**-**	**629 097**	5 675	**146 856**	-	**13 978**	**10 272**	-	**38 597**	**10 814**	-	**8 554 237**	**289 763**	**2 577 976**	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																		
Institutions	1 623 496	-	681 695	844	178 340	-	26 685	101	88 338	34 276	36	-	-	-	**1 890 174**	**-**	**742 656**	**981**
Corporate - SME	3 621 247	366 910	2 841 352	286 721	1 076 477	-	442 376	7 002	10 153	11 259	187	-	-	-	**4 707 877**	**366 910**	**3 294 987**	**293 910**
Specialized Lending	1 222 618	209 925	712 671	232 935	18 739	-	3 238	37	74 656	72 518	1 846	-	-	-	**1 316 013**	**209 925**	**788 427**	**234 818**
Corporate	1 019 211	45 933	971 519	30 207	734 726	14 772	202 598	7 425	17 761	22 975	325	-	-	-	**1 771 698**	**60 705**	**1 197 092**	**37 957**
Equity	3 780	-	7 577	30	-	-	-	-	-	-	-	-	-	-	**3 780**	**-**	**7 577**	**30**
TOTAL (FIRB)	**7 490 352**	**622 768**	**5 214 814**	**550 737**	**2 008 282**	**14 772**	**674 897**	**14 565**	**190 908**	**141 028**	**2 394**	**-**	**-**	**-**	**9 689 542**	**637 540**	**6 030 739**	**567 696**
TOTAL	**15 362 917**	**906 856**	**7 624 848**	**550 737**	**2 637 379**	**20 447**	**821753**	**14 565**	**204 886**	**151 300**	**2 394**	**38597**	**10 814**	**-**	**18 243 779**	**927 303**	**8 608 715**	**567 696**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

UniCredit Bulbank

APPENDIX 5

AMOUNT OF THE EXPOSURES, BROKEN DOWN BY RESIDUAL MATURITY AND EXPOSURE CLASSES * /AS OF 31.12.2014/

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**
STANDARTISED APPROACH (STA)																														
Central Governments and Central Banks	967 790	-	136 663	-	147	-	-	-	1 414 521	1	-	-	685 990	-	-	-	607 830	-	-	-	-	-	-	-	-	-	**3 676 278**	**1**	**136 663**	**-**
Regional Governments	-	-	-	-	-	-	-	-	1 926	7	1 865	-	34 051	86	32 810	-	15 244	33	15 178	-	-	-	-	-	-	-	**51 221**	**126**	**49 853**	**-**
Public Sector	660	2	252	-	228	-	116	-	3 251	3	674	-	1 605	1	1 207	-	-	-	-	-	-	-	-	-	-	-	**5 744**	**6**	**2 249**	**-**
Institutions	395	-	198	-	-	-	-	-	-	-	-	-	-	-	-	-	587	-	293	-	5 015	1 309	-	34 729	6 946	-	**40 726**	**-**	**8 746**	**-**
Corporate	54 675	27	9 660	-	9 296	1	2 395	-	163 260	143	111 916	-	49 470	128	27 155	-	50 938	174	44 722	-	8 964	8 964	-	3 869	3 869	-	**340 472**	**473**	**208 681**	**-**
Retail	207 182	1 816	83 962	-	87 839	612	37 997	-	358 738	2 518	149 620	-	356 637	2 378	196 628	-	560 731	5 005	389 314	-	-	-	-	-	-	-	**1 571 127**	**12 329**	**857 521**	**-**
Exposure Secured by Immovable Porperty	64 101	497	17 417	-	24 987	149	7 099	-	124 972	803	36 372	-	157 852	967	54 288	-	1 287 799	2 665	454 326	-	-	-	-	-	-	-	**1 659 711**	**5 081**	**569 502**	**-**
Past Due Assets	337 798	213 972	133 767	-	1 269	888	371	-	19 065	11 007	8 056	-	59 673	17 494	52 555	-	85 993	28 368	60 730	-	-	-	-	-	-	-	**503 798**	**271 729**	**255 479**	**-**
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63 283	-	158 208	-	-	-	-	-	-	-	**63 283**	**-**	**158 208**	**-**
Other Assets	584 971	-	297 900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**584 971**	**-**	**297 900**	**-**
Secutitization	6 937	16	3 429	-	856	-	519	-	29 857	-	17 787	-	11 832	2	6 934	-	7 424	-	4 505	-	-	-	-	-	-	-	**56 906**	**18**	**33 174**	**-**
TOTAL (STA)	**2 224 509**	**216 330**	**683 248**	**-**	**124 622**	**1 650**	**48 497**	**-**	**2 115 590**	**14 482**	**326 290**	**-**	**1 357 110**	**21 056**	**371 577**	**-**	**2 679 829**	**36 245**	**1 127 276**	**-**	**13 979**	**10 273**	**-**	**38 598**	**10 815**	**-**	**8 554 237**	**289 763**	**2 577 976**	**-**
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																														
Institutions	746 300	-	314 072	476	178 883	-	75 607	92	461 589	-	151 968	204	400 463	-	163 798	169	14 601	-	2 935	4	88 338	34 276	36	-	-	-	**1 890 174**	**-**	**742 656**	**981**
Corporate - SME	1 219 560	312 639	542 095	201 839	278 866	8 836	240 721	13 784	1 247 219	14 818	871 951	19 591	1 426 916	25 932	1 179 311	51 443	525 163	4 685	449 650	7 066	10 153	11 259	187	-	-	-	**4 707 877**	**366 910**	**3 294 987**	**293 910**
Specialized Lending	306 251	147 747	3 934	151 428	27 922	1 781	30 703	1 359	79 256	16 796	36 254	23 548	443 037	38 060	304 551	45 698	384 891	5 541	340 467	10 939	74 656	72 518	1 846	-	-	-	**1 316 013**	**209 925**	**788 427**	**234 818**
Corporate	459 421	51 856	273 953	27 852	150 384	1 302	111 964	2 363	438 515	5 364	222 181	2 971	488 476	1 052	328 765	2 712	217 141	1 131	237 254	1 734	17 761	22 975	325	-	-	-	**1 771 698**	**60 705**	**1 197 092**	**37 957**
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 780	-	7 577	30	-	-	-	-	-	-	**3 780**	**-**	**7 577**	**30**
TOTAL (FIRB)	**2 731 532**	**512 242**	**1 134 054**	**381 595**	**636 055**	**11 919**	**458 995**	**17 598**	**2 226 579**	**36 978**	**1 282 354**	**46 314**	**2 758 892**	**65 044**	**1 976 425**	**100 022**	**1 145 576**	**11 357**	**1 037 883**	**19 773**	**190 908**	**141 028**	**2 394**	**-**	**-**	**-**	**9 689 542**	**637 540**	**6 030 739**	**567 696**
TOTAL	**4 956 041**	**728 572**	**1 817 302**	**381 595**	**760 677**	**13 569**	**507 492**	**17 598**	**4 342 169**	**51 460**	**1 608 644**	**46 314**	**4 116 002**	**86 100**	**2 348 002**	**100 022**	**3 825 405**	**47 602**	**2 165 159**	**19 773**	**204 887**	**151 301**	**2 394**	**38 598**	**10 815**	**-**	**18 243 779**	**927 303**	**8 608 715**	**567 696**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*
*** UP TO THE MATURITY OF THE EXPOSURE*

UniCredit Bulbank

APPENDIX 6

AMOUNT OF THE EXPOSURES, BROKEN DOWN BY DAYS PAST DUE AND EXPOSURE CLASSES * /AS OF 31.12.2014/

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	3 673 351	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 927	-	2 326	-	-	-	-	-	**3 676 278**	**1**	**2 326**	**-**
Regional Governments	48 764	126	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 457	-	-	-	-	-	-	-	**51 221**	**126**	**-**	**-**
Public Sector	414	6	32	-	4	-	-	-	-	-	-	-	-	-	-	-	5 326	-	2 450	-	-	-	-	-	**5 744**	**6**	**2 482**	**-**
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	983	-	-	-	5 015	-	34 728	-	**40 726**	**-**	**-**	**-**
Corporate	158 004	424	5 083	7 789	2 844	49	-	-	-	-	-	-	-	-	-	-	166 792	-	35 280	2 060	8 963	-	3 869	-	**340 472**	**473**	**40 363**	**9 849**
Retail	1 174 977	10 408	49 210	529	21 637	1 921	504	-	-	-	-	-	-	-	-	-	374 513	-	39 100	550	-	-	-	-	**1 571 127**	**12 329**	**88 814**	**1 079**
Exposure Secured by Immovable Porperty	1 578 845	4 733	-	-	15 525	348	-	-	-	-	-	-	-	-	-	-	65 341	-	-	-	-	-	-	-	**1 659 711**	**5 081**	**-**	**-**
Past Due Assets	72 623	27 849	93	-	34 019	7 606	319	-	33 349	11 663	296	-	353 049	218 936	398	-	10 758	5 675	69	-	-	-	-	-	**503 798**	**271 729**	**1 175**	**-**
Equity	63 283	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**63 283**	**-**	**-**	**-**
Other Assets	584 971	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**584 971**	**-**	**-**	**-**
Secutitization	54 832	4	539	19 531	796	-	-	-	104	-	-	-	1 174	14	-	-	-	-	-	-	-	-	-	-	**56 906**	**18**	**539**	**19 531**
TOTAL (STA)	**7 410 064**	**43 551**	**54 957**	**27 849**	**74 825**	**9 924**	**823**	**-**	**33 453**	**11 663**	**296**	**-**	**354 223**	**218 950**	**398**	**-**	**629 097**	**5 675**	**79 225**	**2 610**	**13 978**	**-**	**38 597**	**-**	**8 554 237**	**289 763**	**135 699**	**30 459**
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																												
Institutions	1 623 496	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	178 340	-	73	-	88 338	-	-	-	**1 890 174**	**-**	**73**	**-**
Corporate - SME	3 072 692	34 437	45 558	14 733	52 498	6 760	86	-	50 471	19 816	29	-	445 586	305 897	-	-	1 076 477	-	88 137	23 357	10 153	-	-	-	**4 707 877**	**366 910**	**133 810**	**38 090**
Specialized Lending	814 052	20 409	-	7 676	32	32	-	-	48 479	4 946	-	-	360 055	184 538	-	-	18 739	-	-	-	74 656	-	-	-	**1 316 013**	**209 925**	**-**	**7 676**
Corporate	971 259	4 775	727	1 074	-	-	-	-	387	60	-	-	47 565	41 098	-	-	734 726	14 772	15 562	830	17 761	-	-	-	**1 771 698**	**60 705**	**16 289**	**1 904**
Equity	3 780	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**3 780**	**-**	**-**	**-**
TOTAL (FIRB)	**6 485 279**	**59 621**	**46 285**	**23 483**	**52 530**	**6 792**	**86**	**-**	**99 337**	**24 822**	**29**	**-**	**853 206**	**531 533**	**-**	**-**	**2 008 282**	**14 772**	**103 772**	**24 187**	**190 908**	**-**	**-**	**-**	**9 689 542**	**637 540**	**150 172**	**47 670**
TOTAL	**13 895 343**	**103 172**	**101 242**	**51 332**	**127 355**	**16 716**	**909**	**-**	**132 790**	**36 485**	**325**	**-**	**1 207 429**	**750 483**	**398**	**-**	**2 637 379**	**20 447**	**182 997**	**26 797**	**204 886**	**-**	**38 597**	**-**	**18 243 779**	**927 303**	**285 871**	**78 129**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

UniCredit Bulbank

APPENDIX 7A

AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES *
/AS OF 31.12.2014/

In thousands of BGN

	ASSETS																								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	-	-	-	-	-	-	-	-	3 673 351	1	136 663	-	-	-	-	-	-	-	-	-	-	-	-	-	**3 673 351**	**1**	**136 663**	-
Regional Governments	-	-	-	-	-	-	-	-	48 764	126	48 638	-	-	-	-	-	-	-	-	-	-	-	-	-	**48 764**	**126**	**48 638**	-
Public Sector	-	-	-	-	-	-	-	-	418	6	380	-	-	-	-	-	-	-	-	-	-	-	-	-	**418**	**6**	**380**	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-	160 848	473	147 080	-	-	-	-	-	-	-	-	-	-	-	-	-	**160 848**	**473**	**147 080**	-
Retail	49	-	37	-	482	1	55	-	1 196 036	12 328	776 640	-	7		5		11		8		29		22		**1 196 614**	**12 329**	**776 767**	-
Exposure Secured by Immovable Porperty	75		26	-	208	-	73	-	1 594 087	5 081	560 484	-	-	-	-	-	-	-	-	-	-	-	-	-	**1 594 370**	**5 081**	**560 583**	-
Past Due Assets	30	30	-	-	21	10	16	-	492 802	265 973	250 480	-	102	23	79	-	85	18	66	-	-	-	-	-	**493 040**	**266 054**	**250 641**	-
Equity	-	-	-	-	-	-	-	-	63 283	-	158 208	-	-	-	-	-	-	-	-	-	-	-	-	-	**63 283**	-	**158 208**	-
Other Assets	-	-	-	-	-	-	-	-	584 971	-	297 900	-	-	-	-	-	-	-	-	-	-	-	-	-	**584 971**	-	**297 900**	-
Secutitization	-	-	-	-	-	-	-	-	56 906	18	33 174	-	-	-	-	-	-	-	-	-	-	-	-	-	**56 906**	**18**	**33 174**	-
TOTAL (STA)	**154**	**30**	**63**	-	**711**	**11**	**144**	-	**7 871 466**	**284 006**	**2 409 647**	-	**109**	**23**	**84**	-	**96**	**18**	**74**	-	**29**	-	**22**	-	**7 872 565**	**284 088**	**2 410 034**	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																												
Institutions	-	-	-	-	322	-	86	-	1 580 640	-	672 370	837	42 503	-	9 233	7	31	-	6	-	-	-	-	-	**1 623 496**	-	**681 695**	**844**
Corporate - SME	-	-	-	-	4 116	29	4 503	58	3 580 425	366 639	2 805 704	286 264	-	-	-	-	36 706	242	31 145	399	-	-	-	-	**3 621 247**	**366 910**	**2 841 352**	**286 721**
Specialized Lending	-	-	-	-	-	-	-	-	1 222 618	209 925	712 671	232 935	-	-	-	-	-	-	-	-	-	-	-	-	**1 222 618**	**209 925**	**712 671**	**232 935**
Corporate	-	-	-	-	-	-	-	-	979 197	45 901	946 025	30 140	40 014	32	25 494	67	-	-	-	-	-	-	-	-	**1 019 211**	**45 933**	**971 519**	**30 207**
Equity	-	-	-	-	-	-	-	-	3 780	-	7 577	30	-	-	-	-	-	-	-	-	-	-	-	-	**3 780**	-	**7 577**	**30**
TOTAL (FIRB)	-	-	-	-	**4 438**	**29**	**4 589**	**58**	**7 366 660**	**622 465**	**5 144 347**	**550 206**	**82 517**	**32**	**34 727**	**74**	**36 737**	**242**	**31 151**	**399**	-	-	-	-	**7 490 352**	**622 768**	**5 214 814**	**550 737**
TOTAL	**154**	**30**	**63**	-	**5 149**	**40**	**4 733**	**58**	**15 238 126**	**906 471**	**7 553 994**	**550 206**	**82 626**	**55**	**34 811**	**74**	**36 833**	**260**	**31 225**	**399**	**29**	-	**22**	-	**15 362 917**	**906 856**	**7 624 848**	**550 737**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

UniCredit Bulbank

APPENDIX 7B

AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES *
/AS OF 31.12.2014/

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	-	-	-	-	-	-	-	-	2 927	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**2 927**	-	-	-
Regional Governments	-	-	-	-	-	-	-	-	2 457	-	1 215	-	-	-	-	-	-	-	-	-	-	-	-	-	**2 457**	-	**1 215**	-
Public Sector	-	-	-	-	-	-	-	-	5 326	-	1 869	-	-	-	-	-	-	-	-	-	-	-	-	-	**5 326**	-	**1 869**	-
Institutions	-	-	-	-	-	-	-	-	983	-	492	-	-	-	-	-	-	-	-	-	-	-	-	-	**983**	-	**492**	-
Corporate	-	-	-	-	1 335	-	10	-	165 457	-	48 759	-	-	-	-	-	-	-	-	-	-	-	-	-	**166 792**	-	**48 769**	-
Retail	21	-	8	-	156	-	52	-	374 228	-	80 657	-	27	-	6	-	29	-	11	-	52	-	20	-	**374 513**	-	**80 754**	-
Exposure Secured by Immovable Porperty	-	-	-	-	-	-	-	-	65 341	-	8 919	-	-	-	-	-	-	-	-	-	-	-	-	-	**65 341**	-	**8 919**	-
Past Due Assets	-	-	-	-	-	-	-	-	10 758	5 675	4 838	-	-	-	-	-	-	-	-	-	-	-	-	-	**10 758**	**5 675**	**4 838**	-
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secutitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (STA)	**21**	-	**8**	-	**1 491**	-	**62**	-	**627 477**	**5 675**	**146 749**	-	**27**	-	**6**	-	**29**	-	**11**	-	**52**	-	**20**	-	**629 097**	**5 675**	**146 856**	-
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																												
Institutions	1 525	-	873	13	1 936	-	811	6	161 698	-	24 623	82	13 181		378	-	-	-	-	-	-	-	-	-	**178 340**	-	**26 685**	**101**
Corporate - SME	-	-	-	-	10 001	-	6 479	79	1 066 394	-	435 861	6 922	82	-	36	1	-	-	-	-	-	-	-	-	**1 076 477**	-	**442 376**	**7 002**
Specialized Lending	-	-	-	-	-	-	-	-	18 739	-	3 238	37	-	-	-	-	-	-	-	-	-	-	-	-	**18 739**	-	**3 238**	**37**
Corporate	-	-	-	-	-	-	-	-	734 726	14 772	202 598	7 425	-	-	-	-	-	-	-	-	-	-	-	-	**734 726**	**14 772**	**202 598**	**7 425**
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (FIRB)	**1 525**	-	**873**	**13**	**11 937**	-	**7 290**	**85**	**1 981 557**	**14 772**	**666 320**	**14 466**	**13 263**	-	**414**	**1**	-	-	-	-	-	-	-	-	**2 008 282**	**14 772**	**674 897**	**14 565**
TOTAL	**1 546**	-	**881**	**13**	**13 428**	-	**7 352**	**85**	**2 609 034**	**20 447**	**813 069**	**14 466**	**13 290**	-	**420**	**1**	**29**	-	**11**	-	**52**	-	**20**	-	**2 637 379**	**20 447**	**821 753**	**14 565**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

UniCredit Bulbank

APPENDIX 7C

AMOUNT OF THE EXPOSURES, BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES * /AS OF 31.12.2014/

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				
STANDARTISED APPROACH (STA)																												
Central Governments and Central Banks	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Regional Governments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public Sector	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Institutions	–	–	–	–	5 015	–	–	–	–	–	–	–	–	–	–	–	34 728	–	–	–	–	–	–	–	**39 743**	–	**8 255**	–
Corporate	–	–	–	–	8 963	–	–	–	–	–	–	–	–	–	–	–	3 869	–	–	–	–	–	–	–	**12 832**	–	**12 833**	–
Retail	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Exposure Secured by Immovable Porperty	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Past Due Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Equity	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Secutitization	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
TOTAL (STA)	–	–	–	–	**13 978**	–	–	–	–	–	–	–	–	–	–	–	**38 597**	–	–	–	–	–	–	–	**52 575**	–	**21 088**	–
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																												
Institutions	–	–	–	–	88 338	36	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**88 338**	–	**34 276**	**36**
Corporate - SME	–	–	–	–	10 153	187	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**10 153**	–	**11 259**	**187**
Specialized Lending	–	–	–	–	74 656	1 846	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**74 656**	–	**72 518**	**1 846**
Corporate	–	–	–	–	17 761	325	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**17 761**	–	**22 975**	**325**
Equity	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	-	–
TOTAL (FIRB)	–	–	–	–	**190 908**	**2 394**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**190 908**	–	**141 028**	**2 394**
TOTAL	–	–	–	–	**204 886**	**2 394**	–	–	–	–	–	–	–	–	–	–	**38 597**	–	–	–	–	–	–	–	**243 483**	–	**162 116**	**2 394**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

APPENDIX 8

AMOUNT OF THE EXPOSURES, BROKEN DOWN BY CREDIT QUALITY AND EXPOSURE CLASSES * /AS OF 31.12.2014/

In thousands of BGN

		ASSETS					OFF-BALANCE SHEET COMMITMENTS					DERIVATIVES			REPOS			TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning	TOTAL Financial collaterals	TOTAL Guarantees
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					
STANDARTISED APPROACH (STA)																						
Central Governments and Central Banks	1	28	-	28	-	-	28	-	28	-	-	-	-	-	-	-	-	56	-	56	-	-
	2	-	-	-	-	-	2	-	2	-	-	-	-	-	-	-	-	2	-	2	-	-
	3	1 274 524	-	1 274 524	-	-	25	-	25	22	-	-	-	-	-	-	-	1 274 549	-	1 274 549	22	-
	4	1 597 182	1	1 597 181	-	-	2 872	-	2 872	2 304	-	-	-	-	-	-	-	1 600 054	1	1 600 053	2 304	-
	Unrated	801 617	-	801 617	-	-	-	-	-	-	-	-	-	-	-	-	-	801 617	-	801 617	-	-
Central Governments and Central Banks		3 673 351	1	3 673 350	-	-	2 927	-	2 927	2 326	-	-	-	-	-	-	-	**3 676 278**	**1**	**3 676 277**	**2 326**	**-**
Regional Governments	4	607	-	607	-	-	-	-	-	-	-	-	-	-	-	-	-	607	-	607	-	-
	Unrated	48 157	126	48 031	-	-	2 457	-	2 457	-	-	-	-	-	-	-	-	50 614	126	50 488	-	-
Regional Governments		48 764	126	48 638	-	-	2 457	-	2 457	-	-	-	-	-	-	-	-	**51 221**	**126**	**51 095**	**-**	**-**
Public Sector	Unrated	418	6	412	32	-	5 326	-	5 326	2 450	-	-	-	-	-	-	-	5 744	6	5 738	2 482	-
Public Sector		418	6	412	32	-	5 326	-	5 326	2 450	-	-	-	-	-	-	-	**5 744**	**6**	**5 738**	**2 482**	**-**
Institutions	Unrated	-	-	-	-	-	983	-	983	-	-	5 015	-	5 015	34 728	-	34 728	40 726	-	40 726	-	-
Institutions		-	-	-	-	-	983	-	983	-	-	5 015	-	5 015	34 728	-	34 728	**40 726**	**-**	**40 726**	**-**	**-**
Corporates	Unrated	160 848	473	160 375	5 083	7 789	166 792	-	166 792	35 280	2 060	8 963	-	8 963	3 869	-	3 869	340 472	473	339 999	40 363	9 849
Corporates		160 848	473	160 375	5 083	7 789	166 792	-	166 792	35 280	2 060	8 963	-	8 963	3 869	-	3 869	**340 472**	**473**	**339 999**	**40 363**	**9 849**
Retail	Unrated	1 196 614	12 329	1 184 285	49 714	529	374 513	-	374 513	39 100	550	-	-	-	-	-	-	1 571 127	12 329	1 558 798	88 814	1 079
Retail		1 196 614	12 329	1 184 285	49 714	529	374 513	-	374 513	39 100	550	-	-	-	-	-	-	**1 571 127**	**12 329**	**1 558 798**	**88 814**	**1 079**
Exposure Secured by Immovable Porperty	Unrated	1 594 370	5 081	1 589 289	-	-	65 341	-	65 341	-	-	-	-	-	-	-	-	1 659 711	5 081	1 654 630	-	-
Exposure Secured by Immovable Porperty		1 594 370	5 081	1 589 289	-	-	65 341	-	65 341	-	-	-	-	-	-	-	-	**1 659 711**	**5 081**	**1 654 630**	**-**	**-**
Past Due Assets	Unrated	493 040	266 054	226 986	1 106	-	10 758	5 675	5 083	69	-	-	-	-	-	-	-	503 798	271 729	232 069	1 175	-
Past Due Assets		493 040	266 054	226 986	1 106	-	10 758	5 675	5 083	69	-	-	-	-	-	-	-	**503 798**	**271 729**	**232 069**	**1 175**	**-**
Equity	Unrated	63 283	-	63 283	-	-	-	-	-	-	-	-	-	-	-	-	-	63 283	-	63 283	-	-
Equity		63 283	-	63 283	-	-	-	-	-	-	-	-	-	-	-	-	-	**63 283**	**-**	**63 283**	**-**	**-**
Other Assets	Unrated	584 971	-	584 971	-	-	-	-	-	-	-	-	-	-	-	-	-	584 971	-	584 971	-	-
Other Assets		584 971	-	584 971	-	-	-	-	-	-	-	-	-	-	-	-	-	**584 971**	**-**	**584 971**	**-**	**-**
Securitisation	Unrated	56 906	18	56 888	539	19 531	-	-	-	-	-	-	-	-	-	-	-	56 906	18	56 888	539	19 531
Securitisation		**56 906**	**18**	**56 888**	**539**	**19 531**	-	-	-	-	-	-	-	-	-	-	-	**56 906**	**18**	**56 888**	**539**	**19 531**
TOTAL		**7 872 565**	**284 088**	**7 588 477**	**56 474**	**27 849**	**629 097**	**5 675**	**623 422**	**79 225**	**2 610**	**13 978**	**-**	**13 978**	**38 597**	**-**	**38 597**	**8 554 237**	**289 763**	**8 264 474**	**135 699**	**30 459**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

![UniCredit Bulbank]

APPENDIX 9

AMOUNT OF THE EXPOSURES,
BROKEN DOWN BY CREDIT QUALITY AND EXPOSURE CLASSES *
/AS OF 31.12.2014/

In thousands of BGN

						INSTITUTIONS**						CORPORATES**						EQUITY											
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 Losss
FOUNDATION INTERNAL RATING BASED APPROACH (FIRB)																													
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	0.03%	19.09%	44.92%	65.63%	27	76 485	-	-	-	-	8	28 674	-	-	244	-	2	-	-	-	-	-	-	**105 159**	**-**	**-**	**244**	**-**	**10**
3	0.04%	20.14%	45.00%	30.34%	11	24 716	-	-	-	-	1	21 619	1	-	-	-	3	-	-	-	-	-	-	**46 335**	**1**	**-**	**-**	**-**	**4**
4	0.06%	26.21%	44.78%	49.68%	12	43 430	-	-	-	-	5	5 170	-	-	10	856	1	-	-	-	-	-	-	**48 600**	**-**	**-**	**10**	**856**	**6**
5	0.08%	26.20%	44.38%	74.09%	12	5 165	-	-	-	-	1	134 420	2	-	-	6 812	35	-	-	-	-	-	-	**139 585**	**2**	**-**	**-**	**6 812**	**36**
6	0.10%	40.65%	44.96%	94.99%	31	1 633 911	-	-	-	-	685	47 239	3	-	685	14 216	8	-	-	-	-	-	-	**1 681 150**	**3**	**-**	**685**	**14 216**	**693**
7	0.15%	34.05%	43.88%	83.46%	22	2 297	-	-	-	-		197 981	47	-	4 270	4 553	109	-	-	-	-	-	-	**200 278**	**47**	**-**	**4 270**	**4 553**	**109**
8	0.20%	40.02%	42.75%	72.10%	47	7 570	-	-	-	-	6	77 965	24	-	1 354	12 500	54	-	-	-	-	-	-	**85 535**	**24**	**-**	**1 354**	**12 500**	**60**
9	0.26%	46.62%	42.30%	82.28%	99	54 227	-	-	-	-	53	168 594	40	-	4 219	47 676	145	-	-	-	-	-	-	**222 821**	**40**	**-**	**4 219**	**47 676**	**198**
10	0.37%	57.39%	42.29%	72.10%	124	3 430	-	-	-	-	1	489 939	189	1 197	15 996	67 363	561	-	-	-	-	-	-	**493 369**	**189**	**1 197**	**15 996**	**67 363**	**562**
11	0.50%	58.58%	40.70%	80.19%	151	1 316	-	-	-	-	2	258 350	167	400	8 963	70 000	419	-	-	-	-	-	-	**259 666**	**167**	**400**	**8 963**	**70 000**	**421**
12	0.66%	68.90%	41.61%	85.63%	221	941	-	-	-	-	2	459 596	511	-	13 612	104 157	1 082	-	-	-	-	-	-	**460 537**	**511**	**-**	**13 612**	**104 157**	**1 084**
13	0.93%	76.52%	40.94%	90.89%	191	729	-	-	-	-	2	380 154	619	1 467	10 279	110 966	1 319	-	-	-	-	-	-	**380 883**	**619**	**1 467**	**10 279**	**110 966**	**1 321**
14	1.23%	88.35%	42.02%	83.30%	227	19 644	-	-	-	-	116	756 158	1 476	6 038	17 945	157 332	3 210	-	-	-	-	-	-	**775 802**	**1 476**	**6 038**	**17 945**	**157 332**	**3 326**
15	1.68%	87.85%	41.54%	90.07%	210	14 634	-	-	73	-	74	405 809	1 237	767	12 669	90 583	2 568	-	-	-	-	-	-	**420 443**	**1 237**	**767**	**12 742**	**90 583**	**2 642**
16	2.28%	104.34%	42.79%	94.61%	209	33	-	-	-	-	-	481 935	2 134	7 665	5 313	82 505	4 391	-	-	-	-	-	-	**481 968**	**2 134**	**7 665**	**5 313**	**82 505**	**4 391**
17	3.01%	98.13%	40.59%	90.54%	253	944	-	-	-	-	6	638 171	3 300	13 056	14 508	213 611	6 974	-	-	-	-	-	-	**639 115**	**3 300**	**13 056**	**14 508**	**213 611**	**6 980**
18	4.24%	112.37%	41.38%	88.17%	288	-	-	-	-	-	-	466 244	4 321	192	12 295	131 292	7 209	-	-	-	-	-	-	**466 244**	**4 321**	**192**	**12 295**	**131 292**	**7 209**
19	5.75%	119.10%	42.02%	90.46%	90	-	-	-	-	-	-	172 159	1 707	8 282	2 509	39 409	3 638	-	-	-	-	-	-	**172 159**	**1 707**	**8 282**	**2 509**	**39 409**	**3 638**
20	7.85%	139.38%	40.74%	81.05%	162	8	-	-	-	-	-	380 525	3 093	930	22 745	76 648	9 886	-	-	-	-	-	-	**380 533**	**3 093**	**930**	**22 745**	**76 648**	**9 886**
21	10.64%	150.33%	41.30%	95.90%	52	556	-	-	-	-	12	97 972	2 092	-	1 376	32 161	4 140	-	-	-	-	-	-	**98 528**	**2 092**	**-**	**1 376**	**32 161**	**4 152**
22	16.35%	151.89%	36.53%	99.73%	4	-	-	-	-	-	-	9 006	330	-	-	7 607	534	-	-	-	-	-	-	**9 006**	**330**	**-**	**-**	**7 607**	**534**
23	20.17%	210.96%	41.23%	94.07%	31	138	-	-	-	-	7	154 670	6 073	-	-	58 499	12 101	-	-	-	-	-	-	**154 808**	**6 073**	**-**	**-**	**58 499**	**12 108**
24	100.00%	0.00%	45.00%	100.00%	11	-	-	-	-	-	-	4 266	4 266	-	-	-	1 920	-	-	-	-	-	-	**4 266**	**4 266**	**-**	**-**	**-**	**1 920**
25	100.00%	0.00%	42.36%	99.57%	404	-	-	-	-	-	-	599 161	370 934	-	1 107	153 516	252 722	-	-	-	-	-	-	**599 161**	**370 934**	**-**	**1 107**	**153 516**	**252 722**
26	100.00%	0.00%	43.00%	100.00%	9	-	-	-	-	-	-	43 798	25 049	-	-	8 739	18 836	-	-	-	-	-	-	**43 798**	**25 049**	**-**	**-**	**8 739**	**18 836**
Strong	N/A	68.34%	N/A	95.77%	17	-	-	-	-	-	-	233 093	632	7 676	-	150 491	865	-	-	-	-	-	-	**233 093**	**632**	**7 676**	**-**	**150 491**	**865**
Good	N/A	89.38%	N/A	98.95%	105	-	-	-	-	-	-	371 027	3 878	-	-	65 992	2 920	-	-	-	-	-	-	**371 027**	**3 878**	**-**	**-**	**65 992**	**2 920**
Satisfactory	N/A	114.60%	N/A	99.34%	38	-	-	-	-	-	-	260 222	4 066	-	-	111 993	7 223	-	-	-	-	-	-	**260 222**	**4 066**	**-**	**-**	**111 993**	**7 223**
Weak	N/A	250.00%	N/A	99.97%	1	-	-	-	-	-	-	4 779	215	-	-	-	382	-	-	-	-	-	-	**4 779**	**215**	**-**	**-**	**-**	**382**
Default	N/A	0.00%	N/A	100.00%	58	-	-	-	-	-	-	446 892	201 134	-	-	99 349	223 428	-	-	-	-	-	-	**446 892**	**201 134**	**-**	**-**	**99 349**	**223 428**
Equity	N/A	200.46%	0.45%	100.00%	9	-	-	-	-	-	-	-	-	-	-	-	-	3 780	-	-	-	-	30	**3 780**	**-**	**-**	**-**	**-**	**30**
TOTAL	**-**	**-**	**-**	**-**	**3 126**	**1 890 174**	**-**	**-**	**73**	**-**	**981**	**7 795 588**	**637 540**	**47 670**	**150 099**	**1 918 826**	**566 685**	**3 780**	**-**	**-**	**-**	**-**	**30**	**9 689 542**	**637 540**	**47 670**	**150 172**	**1 918 826**	**567 696**

** WITHOUT CREDIT RISK MITIGATION EFFECTS*

*** INCLUDING DERIVATIVES AND REPOS*