



**ANNUAL DISCLOSURE**

**YEAR 2009**

**ON UNCONSOLIDATED BASIS**

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

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## **Reporting Entity**

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

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

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

## **Functional and presentation currency**

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

### **1. Method of consolidation**

This disclosure is prepared on 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
- Operational Risks
- Credit Risks

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

#### **a) Market and Liquidity Risk**

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

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

## **b) Operational Risk**

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

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

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

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

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

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

## **c) Credit Risk**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Credit risk monitoring and management is also focused in fulfillment of statutory lending limits set in Law on Banks. Exposure to one client exceeding 10% of the capital base are treated as big exposures and it has to be approved by the Management Board. Maximum amount of an exposure to one client or group of related clients must not exceed 25% of the capital base of the Bank and in addition the total of all big exposures must not exceed 800% capital base.

### **3. Structure and elements of the capital base**

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

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

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

### **4. Capital requirements**

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

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

### **5. Exposures to counterparty credit risk**

Counterparty credit risk arises from exposures due to the following:

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

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

## 6. Exposure to credit risk and dilution risk

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

- for financial assets – by the end of each month;
- for non-monetary assets – by the end of each year

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

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

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

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

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

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

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

Asset Classes where ECAI are used are as follows:

- Claims or contingent claims on central governments or central banks;
- Claims or contingent claims on multilateral development banks;

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

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

#### **8. Internal models for market risk**

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

#### **9. Exposure to operational risk**

For the purpose of reporting Capital Adequacy in accordance with Ordinance 8 requirements, UniCredit Bulbank AD applies Standardized Approach for estimation its Operational Risk (from June, 2008)

#### **10. Equities in the banking book**

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

#### **11. Interest rate risk in the banking book**

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

#### **12. Securitisation**

The Bank does not apply securitization for the reported period.

#### **13. Internal Rating Based Approach**

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



#### 14. Credit risk mitigation techniques

When granting loans the Bank accepts collaterals as follows:

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

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

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

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

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

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

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

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

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

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

### **15. Internal Capital Adequacy and Assessment Process (ICAAP)**

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

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

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

**CAPITAL BASE  
STRUCTURE AND ELEMENTS  
/AS OF 31.12.2009/**

*In thousands of BGN*

<b>Capital Base</b>	<b>Total</b>
Share capital	239 256
Statutory reserve	51 155
Retained earnings	1 019 874
<b>Total capital and reserves</b>	<b>1 310 285</b>
<i>Deductions</i>	
Unrealized loss on available-for-sale instruments	(18 789)
Intangible assets	(34 823)
<b>Total deductions</b>	<b>(53 612)</b>
<b>Total Tier I capital</b>	<b>1 256 673</b>
Revaluation reserve on real estate occupied by the Bank	136 070
Subordinated long-term debt	183 848
<b>Total Tier II capital</b>	<b>319 918</b>
Additional deductions from Tier I and Tier II capital	<b>(30 391)</b>
<b>Total Capital base (Own funds)</b>	<b>1 546 200</b>

**CAPITAL REQUIREMENTS  
SUMMARY INFORMATION BY EXPOSURE CLASSES  
/AS OF 31.12.2009/**

*In thousands of BGN*

Capital Requirements	Total
<b>Capital requirements for credit risk</b>	
Exposures to:	
Central Governments and Central Banks	6 859
Regional Governments or local authorities	4 247
Administrative bodies and non-commercial undertakings	11
Institutions	12 569
Corporates	204 773
Retail	63 047
Exposures secured on real estate property	304 469
Past Due Items	2 582
High risk exposures	26
Short-term exposures to institutions and corporates	30 675
Other exposures	21 181
<b>Total capital requirements for credit risk</b>	<b>650 439</b>
<b>Capital requirements for market risk</b>	<b>12 147</b>
<b>Capital requirements for operational risk</b>	<b>77 986</b>
<b>Total capital requirements for credit risk, market risk and operational risk</b>	<b>740 572</b>
<b>Additional capital requirements subject to National Discretions from the Regulator</b>	<b>370 285</b>
<b>Total regulatory capital requirements</b>	<b>1 110 857</b>
Capital Base (Own funds)	1 546 200
<i>there of Tier I</i>	<i>1 241 478</i>
Free equity (own funds)	435 343
<b>Total capital adequacy ratio</b>	<b>16.70%</b>
<b>Tier I ratio</b>	<b>13.41%</b>

**AVERAGE AMOUNT OF THE EXPOSURES,  
BROKEN DOWN BY EXPOSURE CLASSES \***  
**/AS OF 31.12.2009/**

*In thousands of BGN*

Exposure class	ASSETS				OFF-BALANCE SHEET COMMITMENTS				TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning
	Average amount of the exposure	Amount before provisioning	Provision	Amount after provisioning	Average amount of the exposure	Amount before provisioning	Provision	Amount after provisioning			
Administrative bodies and non-commercial undertakings	2	81	1	80	40	2 384	-	2 384	2 465	1	2 464
Central Governments and Central Banks	23 446	1 312 989	-	1 312 989	176	11 079	-	11 079	1 324 068	-	1 324 068
Corporates	2 600	2 294 511	27 534	2 266 977	429	713 504	18 390	695 114	3 008 015	45 924	2 962 091
Institutions	3 721	211 693	-	211 693	813	174 856	607	174 249	386 549	607	385 942
Multilateral Development Banks	4 742	18 966	-	18 966	-	-	-	-	18 966	-	18 966
Regional Governments or local authorities	3 048	48 761	76	48 685	1 220	8 538	-	8 538	57 299	76	57 223
Exposures secured on real estate property	108	4 486 000	108 784	4 377 216	115	439 710	-	439 710	4 925 710	108 784	4 816 926
High risk exposures	54	215	-	215	-	-	-	-	215	-	215
Other exposures	258	381 772	-	381 772	-	-	-	-	381 772	-	381 772
Past Due Items	4	239 454	202 894	36 560	-	-	-	-	239 454	202 894	36 560
Retail	6	792 308	65 093	727 215	3	234 037	288	233 749	1 026 345	65 381	960 964
Short-term exposures to institutions and corporates	30 590	1 896 549	-	1 896 549	158	7 597	-	7 597	1 904 146	-	1 904 146
<b>TOTAL</b>	-	<b>11 683 299</b>	<b>404 382</b>	<b>11 278 917</b>	-	<b>1 591 705</b>	<b>19 285</b>	<b>1 572 420</b>	<b>13 275 004</b>	<b>423 667</b>	<b>12 851 337</b>

\* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,  
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES \*  
/AS OF 31.12.2009/**

*In thousands of BGN*

Exposure class	ASSETS																	TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning
	LOANS AND ADVANCES TO BANKS	LOANS AND ADVANCES TO CUSTOMERS										OTHERS			INVESTMENT SECURITIES					
	Financial services	Other industry sectors and retail	Agriculture and forestry	Manufacturing	Construction	Sovereign	Transport and communication	Commerce	Services	Tourism	Financial services	Other industry sectors and retail	Sovereign	Financial services	Manufacturing	Financial services	Sovereign			
Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning				
Administrative bodies and non-commercial undertakings	-	81	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	81	1	80
Central Governments and Central Banks	-	-	-	-	-	10 523	-	-	3	-	-	-	37 148	712 342	-	-	552 973	1 312 989	-	1 312 989
Corporates	6 780	23 655	26 519	780 361	216 552	-	74 112	639 226	213 683	7 697	217 932	87 994	-	-	-	-	-	2 294 511	27 534	2 266 977
Institutions	156 656	-	-	-	-	-	-	-	-	-	25	-	-	29 823	-	25 189	-	211 693	-	211 693
Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 966	-	18 966	-	18 966
Regional Governments or local authorities	-	-	-	-	-	45 912	-	-	-	-	-	2 849	-	-	-	-	-	48 761	76	48 685
Exposures secured on real estate property	-	1 540 794	82 580	651 087	569 734	1 149	81 867	898 597	318 486	258 232	83 474	-	-	-	-	-	-	4 486 000	108 784	4 377 216
High risk exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215	-	215	-	215
Other exposures	10	-	-	-	-	-	-	-	-	-	-	381 762	-	-	-	-	-	381 772	-	381 772
Past Due Items	-	89 610	5 036	66 014	22 571	-	5 023	34 019	17 175	-	6	-	-	-	-	-	-	239 454	202 894	36 560
Retail	-	589 301	23 923	44 486	16 521	-	8 946	81 789	26 932	-	287	123	-	-	-	-	-	792 308	65 093	727 215
Short-term exposures to institutions and corporates	1 896 547	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	1 896 549	-	1 896 549
<b>TOTAL</b>	<b>2 059 993</b>	<b>2 243 441</b>	<b>138 058</b>	<b>1 541 948</b>	<b>825 378</b>	<b>57 584</b>	<b>169 948</b>	<b>1 653 631</b>	<b>576 279</b>	<b>265 929</b>	<b>301 726</b>	<b>472 728</b>	<b>37 148</b>	<b>742 165</b>	<b>-</b>	<b>44 370</b>	<b>552 973</b>	<b>11 683 299</b>	<b>404 382</b>	<b>11 278 917</b>

\* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,  
BROKEN DOWN BY SIGNIFICANT INDUSTRIES AND EXPOSURE CLASSES \*  
/AS OF 31.12.2009/**

*In thousands of BGN*

Exposure class	OFF-BALANCE SHEET COMMITMENTS										TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning	
	LOANS AND ADVANCES TO CUSTOMERS													LOANS AND ADVANCES TO BANKS
	Other industry sectors and retail	Agriculture and forestry	Manufacturing	Construction	Sovereign	Transport and communication	Commerce	Services	Financial services	Financial services				
	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning	Amount before provisioning				
Administrative bodies and non-commercial undertakings	2 333	-	-	-	-	-	-	51	-	-	-	2 384	-	2 384
Central Governments and Central Banks	-	-	-	-	11 073	-	-	6	-	-	-	11 079	-	11 079
Corporates	4 120	9 609	214 486	76 256	-	22 668	332 433	33 855	20 077	-	-	713 504	18 390	695 114
Institutions	97 425	-	-	-	-	-	-	-	39 028	38 403	-	174 856	607	174 249
Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Regional Governments or local authorities	-	-	-	-	8 538	-	-	-	-	-	-	8 538	-	8 538
Exposures secured on real estate property	6 649	7 625	110 168	62 530	413	9 247	146 520	86 709	9 849	-	-	439 710	-	439 710
High risk exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Past Due Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	106 939	4 087	27 103	15 055	-	7 637	54 170	18 647	399	-	-	234 037	288	233 749
Short-term exposures to institutions and corporates	-	-	-	-	-	-	-	-	196	7 401	-	7 597	-	7 597
<b>TOTAL</b>	<b>217 466</b>	<b>21 321</b>	<b>351 757</b>	<b>153 841</b>	<b>20 024</b>	<b>39 552</b>	<b>533 123</b>	<b>139 268</b>	<b>69 549</b>	<b>45 804</b>	<b>1 591 705</b>	<b>19 285</b>	<b>1 572 420</b>	

\* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,  
BROKEN DOWN BY RESIDUAL MATURITY AND EXPOSURE CLASSES \*  
/AS OF 31.12.2009/**

*In thousands of BGN*

Exposure class	Up to 1 month**			From 1 to 3 months**			From 3 months to 1 year**			From 1 to 5 years**			Over 5 years and Maturity not defined**			TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning
	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning	Amount before provisioning	Provision	Amount after provisioning			
Administrative bodies and non-commercial undertakings	104	-	104	54	-	54	338	-	338	1 969	1	1 968	-	-	-	2 465	1	2 464
Central Governments and Central Banks	729 488	-	729 488	84 232	-	84 232	40 078	-	40 078	263 242	-	263 242	207 028	-	207 028	1 324 068	-	1 324 068
Corporates	358 546	19 784	338 762	429 863	2 280	427 583	864 207	5 910	858 297	853 763	6 059	847 704	501 636	11 891	489 745	3 008 015	45 924	2 962 091
Institutions	37 165	607	36 558	26 746	-	26 746	245 100	-	245 100	46 686	-	46 686	30 852	-	30 852	386 549	607	385 942
Multilateral Development Banks	-	-	-	-	-	-	6 823	-	6 823	12 143	-	12 143	-	-	-	18 966	-	18 966
Regional Governments or local authorities	-	-	-	-	-	-	7 384	37	7 347	14 563	39	14 524	35 352	-	35 352	57 299	76	57 223
Exposures secured on real estate property	501 246	12 400	488 846	163 298	2 275	161 023	814 600	20 519	794 081	1 145 586	21 002	1 124 584	2 300 980	52 588	2 248 392	4 925 710	108 784	4 816 926
High risk exposures	-	-	-	-	-	-	-	-	-	-	-	-	215	-	215	215	-	215
Other exposures	381 772	-	381 772	-	-	-	-	-	-	-	-	-	-	-	-	381 772	-	381 772
Past Due Items	139 833	126 551	13 282	4 209	3 463	746	9 415	5 296	4 119	28 950	23 159	5 791	57 047	44 425	12 622	239 454	202 894	36 560
Retail	101 332	3 240	98 092	52 873	1 423	51 450	210 729	11 065	199 664	335 008	17 522	317 486	326 403	32 131	294 272	1 026 345	65 381	960 964
Short-term exposures to institutions and corporates	1 903 424	-	1 903 424	722	-	722	-	-	-	-	-	-	-	-	-	1 904 146	-	1 904 146
<b>TOTAL</b>	<b>4 152 910</b>	<b>162 582</b>	<b>3 990 328</b>	<b>761 997</b>	<b>9 441</b>	<b>752 556</b>	<b>2 198 674</b>	<b>42 827</b>	<b>2 155 847</b>	<b>2 701 910</b>	<b>67 782</b>	<b>2 634 128</b>	<b>3 459 513</b>	<b>141 035</b>	<b>3 318 478</b>	<b>13 275 004</b>	<b>423 667</b>	<b>12 851 337</b>

\* WITHOUT CREDIT RISK MITIGATION EFFECTS

\*\* UP TO THE MATURITY OF THE EXPOSURE



**AMOUNT OF THE EXPOSURES,  
BROKEN DOWN BY DAYS PAST DUE AND EXPOSURE CLASSES \*  
/AS OF 31.12.2009/**

*In thousands of BGN*

Exposure class	ASSETS																OFF-BALANCE SHEET COMMITMENTS							
	UP TO 30 DAYS				FROM 31 TO 90 DAYS				FROM 91 TO 180 DAYS				OVER 181 DAYS				UP TO 30 DAYS				TOTAL Amount before provisioning	TOTAL Provision	TOTAL Financial collaterals	TOTAL Guarantees
	Amount before provisioning	Provision	Financial collaterals	Guarantees	Amount before provisioning	Provision	Financial collateral s	Guarantees	Amount before provisioning	Provision	Financial collaterals	Guarantees	Amount before provisioning	Provision	Financial collaterals	Guarantees	Amount before provisioning	Provision	Financial collaterals	Guarantees				
Administrative bodies and non-commercial undertakings	77	-	40	-	4	1	-	-	-	-	-	-	-	-	-	-	2 384	-	2 147	-	2 465	1	2 187	-
Central Governments and Central Banks	1 312 989	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11 079	-	10 556	-	1 324 068	-	10 556	-
Corporates	2 190 580	10 269	15 982	2 573	94 801	9 367	978	-	2 463	1 231	-	-	6 667	6 667	-	-	713 504	18 390	54 746	11 510	3 008 015	45 924	71 706	14 083
Institutions	211 693	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	174 856	607	2 184	64 452	386 549	607	2 184	64 452
Multilateral Development Banks	18 966	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 966	-	-	-
Regional Governments or local authorities	48 761	76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8 538	-	-	-	57 299	76	-	-
Exposures secured on real estate property	4 126 503	59 361	11 367	548	334 146	33 393	236	-	18 599	9 298	2	-	6 752	6 732	21	-	439 710	-	1 650	400	4 925 710	108 784	13 276	948
High risk exposures	215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215	-	-	-
Other exposures	381 772	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	381 772	-	-	-
Past Due Items	940	888	-	-	17	2	-	-	72 372	36 151	60	-	166 125	165 853	270	-	-	-	-	-	239 454	202 894	330	-
Retail	727 813	22 210	17 566	1 038	21 823	2 166	70	-	3 896	1 941	16	-	38 776	38 776	-	-	234 037	288	38 449	389	1 026 345	65 381	56 101	1 427
Short-term exposures to institutions and corporates	1 896 549	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 597	-	-	856	1 904 146	-	-	856
<b>TOTAL</b>	<b>10 916 858</b>	<b>92 804</b>	<b>44 955</b>	<b>4 159</b>	<b>450 791</b>	<b>44 929</b>	<b>1 284</b>	<b>-</b>	<b>97 330</b>	<b>48 621</b>	<b>78</b>	<b>-</b>	<b>218 320</b>	<b>218 028</b>	<b>291</b>	<b>-</b>	<b>1 591 705</b>	<b>19 285</b>	<b>109 732</b>	<b>77 607</b>	<b>13 275 004</b>	<b>423 667</b>	<b>156 340</b>	<b>81 766</b>

\* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,  
BROKEN DOWN BY SIGNIFICANT GEOGRAPHIC REGIONS AND EXPOSURE CLASSES \*  
/AS OF 31.12.2009/**

*In thousands of BGN*

Exposure class	ASSETS												OFF-BALANCE SHEET COMMITMENTS												TOTAL Amount before provisioning	TOTAL Provision
	AFRICA		ASIA		EUROPE		NORTH AMERICA		AUSTRALIA		SOUTH AMERICA		AFRICA		ASIA		EUROPE		NORTH AMERICA		AUSTRALIA		SOUTH AMERICA			
	Amount before provisioning	Provisi on	Amount before provisioning	Provisi on	Amount before provisioning	Provisio n	Amount before provisioning	Provisi on	Amount before provisioning	Provisi on	Amount before provisioning	Provisi on	Amount before provisioning	Provisi on	Amount before provisioning	Provisi on	Amount before provisioning	Provision	Amount before provisioning	Provisi on	Amount before provisioning	Provisi on	Amount before provisioning	Provisi on		
Administrative bodies and non-commercial	-	-	-	-	81	1	-	-	-	-	-	-	-	-	-	-	2 384	-	-	-	-	-	-	-	2 465	1
Central Governments and Central Banks	-	-	10 961	-	1 299 268	-	2 760	-	-	-	-	-	-	-	-	-	11 079	-	-	-	-	-	-	-	1 324 068	-
Corporates	-	-	1 731	26	2 287 791	27 508	4 989	-	-	-	-	-	-	-	-	713 504	18 390	-	-	-	-	-	-	3 008 015	45 924	
Institutions	-	-	16	-	211 608	-	69	-	-	-	-	-	46	-	2 180	-	169 335	607	3 295	-	-	-	-	-	386 549	607
Multilateral Development Banks	-	-	-	-	16 236	-	2 730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 966	-
Regional Governments or local authorities	-	-	-	-	48 761	76	-	-	-	-	-	-	-	-	-	8 538	-	-	-	-	-	-	-	-	57 299	76
Exposures secured on real estate property	35	-	-	-	4 485 776	108 774	100	10	89	-	-	-	-	-	-	439 669	-	41	-	-	-	-	-	4 925 710	108 784	
High risk exposures	-	-	-	-	215	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215	-
Other exposures	-	-	-	-	381 772	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	381 772	-
Past Due Items	99	94	3	3	239 342	202 787	10	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	239 454	202 894	
Retail	19	1	73	5	792 086	65 086	117	-	2	-	11	1	25	-	110	-	233 866	288	5	-	7	-	24	-	1 026 345	65 381
Short-term exposures to institutions and corporates	-	-	148	-	1 884 393	-	11 851	-	157	-	-	-	-	-	233	-	7 078	-	286	-	-	-	-	-	1 904 146	-
<b>TOTAL</b>	<b>153</b>	<b>95</b>	<b>12 932</b>	<b>34</b>	<b>11 647 329</b>	<b>404 232</b>	<b>22 626</b>	<b>20</b>	<b>248</b>	<b>-</b>	<b>11</b>	<b>1</b>	<b>71</b>	<b>-</b>	<b>2 523</b>	<b>-</b>	<b>1 585 453</b>	<b>19 285</b>	<b>3 627</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>13 275 004</b>	<b>423 667</b>

\* WITHOUT CREDIT RISK MITIGATION EFFECTS

**AMOUNT OF THE EXPOSURES,  
BROKEN DOWN BY CREDIT QUALITY AND EXPOSURE CLASSES \*  
/AS OF 31.12.2009/**

*In thousands of BGN*

Exposure class	Level of Credit Quality	ASSETS					OFF-BALANCE SHEET COMMITMENTS					TOTAL Amount before provisioning	TOTAL Provision	TOTAL Amount after provisioning	TOTAL Financial collaterals	TOTAL Guarantees
		Amount before provisioning	Provision	Amount after provisioning	Financial collaterals	Guarantees	Amount before provisioning	Provision	Amount after provisioning	Financial collaterals	Guarantees					
Administrative bodies and non-commercial undertakings	Unrated	81	1	80	40	-	2 384	-	2 384	2 147	-	2 465	1	2 464	2 187	-
<b>Administrative bodies and non-commercial undertakings</b>		<b>81</b>	<b>1</b>	<b>80</b>	<b>40</b>	<b>-</b>	<b>2 384</b>	<b>-</b>	<b>2 384</b>	<b>2 147</b>	<b>-</b>	<b>2 465</b>	<b>1</b>	<b>2 464</b>	<b>2 187</b>	<b>-</b>
Central Governments and Central Banks	1	6 922	-	6 922	-	-	4	-	4	-	-	6 925	-	6 925	-	-
	2	5 469	-	5 469	-	-	2	-	2	-	-	5 470	-	5 470	-	-
	3	537 819	-	537 819	-	-	11 074	-	11 074	10 556	-	548 893	-	548 893	10 556	-
	4	28 229	-	28 229	-	-	-	-	-	-	-	28 229	-	28 229	-	-
	Unrated	734 551	-	734 551	-	-	-	-	-	-	-	734 551	-	734 551	-	-
<b>Central Governments and Central Banks</b>		<b>1 312 989</b>	<b>-</b>	<b>1 312 989</b>	<b>-</b>	<b>-</b>	<b>11 079</b>	<b>-</b>	<b>11 079</b>	<b>10 556</b>	<b>-</b>	<b>1 324 068</b>	<b>-</b>	<b>1 324 068</b>	<b>10 556</b>	<b>-</b>
Corporates	2	4 989	-	4 989	-	-	-	-	-	-	-	4 989	-	4 989	-	-
	Unrated	2 289 522	27 534	2 261 989	16 960	2 573	713 504	18 390	695 114	54 746	11 510	3 003 026	45 924	2 957 103	71 706	14 083
<b>Corporates</b>		<b>2 294 511</b>	<b>27 534</b>	<b>2 266 977</b>	<b>16 960</b>	<b>2 573</b>	<b>713 504</b>	<b>18 390</b>	<b>695 114</b>	<b>54 746</b>	<b>11 510</b>	<b>3 008 015</b>	<b>45 924</b>	<b>2 962 091</b>	<b>71 706</b>	<b>14 083</b>
Institutions	1	17 731	-	17 731	-	-	7 825	-	7 825	-	981	25 557	-	25 557	-	981
	2	2 885	-	2 885	-	-	33 065	-	33 065	-	11 160	35 950	-	35 950	-	11 160
	3	105 346	-	105 346	-	-	-	-	-	-	-	105 346	-	105 346	-	-
	4	-	-	-	-	-	17	-	17	-	17	17	-	17	-	17
	Unrated	85 731	-	85 731	-	-	133 949	607	133 342	2 184	52 294	219 679	607	219 072	2 184	52 294
<b>Institutions</b>		<b>211 693</b>	<b>-</b>	<b>211 693</b>	<b>-</b>	<b>174 856</b>	<b>607</b>	<b>174 249</b>	<b>2 184</b>	<b>64 452</b>	<b>386 549</b>	<b>607</b>	<b>385 942</b>	<b>2 184</b>	<b>64 452</b>	
Multilateral Development Banks	N/A	18 966	-	18 966	-	-	-	-	-	-	-	18 966	-	18 966	-	-
<b>Multilateral Development Banks</b>		<b>18 966</b>	<b>-</b>	<b>18 966</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 966</b>	<b>-</b>	<b>18 966</b>	<b>-</b>	<b>-</b>	
Regional Governments or local authorities	4	2 849	-	2 849	-	-	-	-	-	-	-	2 849	-	2 849	-	-
	Unrated	45 912	76	45 836	-	-	8 538	-	8 538	-	-	54 449	76	54 374	-	-
<b>Regional Governments or local authorities</b>		<b>48 761</b>	<b>76</b>	<b>48 685</b>	<b>-</b>	<b>-</b>	<b>8 538</b>	<b>-</b>	<b>8 538</b>	<b>-</b>	<b>57 299</b>	<b>76</b>	<b>57 223</b>	<b>-</b>	<b>-</b>	
Exposures secured on real estate property	Unrated	4 486 000	108 784	4 377 216	11 626	548	439 710	-	439 710	1 650	400	4 925 710	108 784	4 816 926	13 276	948
<b>Exposures secured on real estate property</b>		<b>4 486 000</b>	<b>108 784</b>	<b>4 377 216</b>	<b>11 626</b>	<b>548</b>	<b>439 710</b>	<b>-</b>	<b>439 710</b>	<b>1 650</b>	<b>400</b>	<b>4 925 710</b>	<b>108 784</b>	<b>4 816 926</b>	<b>13 276</b>	<b>948</b>
High risk exposures	Unrated	215	-	215	-	-	-	-	-	-	-	215	-	215	-	-
<b>High risk exposures</b>		<b>215</b>	<b>-</b>	<b>215</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>215</b>	<b>-</b>	<b>215</b>	<b>-</b>	<b>-</b>
Other exposures	N/A	381 772	-	381 772	-	-	-	-	-	-	-	381 772	-	381 772	-	-
<b>Other exposures</b>		<b>381 772</b>	<b>-</b>	<b>381 772</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>381 772</b>	<b>-</b>	<b>381 772</b>	<b>-</b>	<b>-</b>
Past Due Items	Unrated	239 454	202 894	36 560	330	-	-	-	-	-	-	239 454	202 894	36 560	330	-
<b>Past Due Items</b>		<b>239 454</b>	<b>202 894</b>	<b>36 560</b>	<b>330</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>239 454</b>	<b>202 894</b>	<b>36 560</b>	<b>330</b>	<b>-</b>
Retail	Unrated	792 308	65 093	727 215	17 652	1 038	234 037	288	233 749	38 449	389	1 026 345	65 381	960 964	56 101	1 427
<b>Retail</b>		<b>792 308</b>	<b>65 093</b>	<b>727 215</b>	<b>17 652</b>	<b>1 038</b>	<b>234 037</b>	<b>288</b>	<b>233 749</b>	<b>38 449</b>	<b>389</b>	<b>1 026 345</b>	<b>65 381</b>	<b>960 964</b>	<b>56 101</b>	<b>1 427</b>
Short-term exposures to institutions and corporates	1	1 893 758	-	1 893 758	-	-	7 168	-	7 168	-	623	1 900 926	-	1 900 926	-	623
	2	222	-	222	-	-	233	-	233	-	233	455	-	455	-	233
	3	10	-	10	-	-	196	-	196	-	-	206	-	206	-	-
	4	2 559	-	2 559	-	-	-	-	-	-	-	2 559	-	2 559	-	-
<b>Short-term exposures to institutions and corporates</b>		<b>1 896 549</b>	<b>-</b>	<b>1 896 549</b>	<b>-</b>	<b>-</b>	<b>7 597</b>	<b>-</b>	<b>7 597</b>	<b>-</b>	<b>856</b>	<b>1 904 146</b>	<b>-</b>	<b>1 904 146</b>	<b>-</b>	<b>856</b>
<b>TOTAL</b>		<b>11 683 299</b>	<b>404 382</b>	<b>11 278 917</b>	<b>46 608</b>	<b>4 159</b>	<b>1 591 705</b>	<b>19 285</b>	<b>1 572 420</b>	<b>109 732</b>	<b>77 607</b>	<b>13 275 004</b>	<b>423 667</b>	<b>12 851 337</b>	<b>156 340</b>	<b>81 766</b>

\* WITHOUT CREDIT RISK MITIGATION EFFECTS