

**FIRST INVESTMENT BANK AD****Unconsolidated statement of cash flows for the year ending on 31 December 2007**

unaudited

in BGN '000

	2007	2006
<b>Net cash flow from operating activities</b>		
Net profit	50 065	28 738
<b>Adjustment for non-cash items</b>		
Impairment losses	26 408	12 671
Depreciation and amortization	11 541	9 075
Income tax expense	5 542	4 359
	<b>93 556</b>	<b>54 843</b>
<b>Change in operating assets</b>		
(Increase) in financial instruments held for trading	-290	-6 088
(Increase)/decrease in available for sale investments	119 061	-79 808
(Increase)/decrease in loans and advances to banks and financial institutions	19 675	-19 656
(Increase) in loans to customers	-1 084 676	-384 718
(Increase)/decrease in other assets	3 576	-6 531
	<b>-942 654</b>	<b>-496 801</b>
<b>Change in operating liabilities</b>		
Increase in deposits from banks	6 798	41 973
Increase in amounts owed to other depositors	768 289	486 757
Net (decrease) in other liabilities	1 875	-1 751
	<b>776 962</b>	<b>526 979</b>
Income tax paid	-4 290	-4 430
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-76 426</b>	<b>80 591</b>
<b>Cash flow from investing activities</b>		
(Purchase) of tangible and intangible fixed assets	-41 885	-28 601
(Acquisition)/decrease of investments	-34 485	27 751
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-76 370</b>	<b>-850</b>
<b>Financing activities</b>		
Increase of shareholders' equity, fully paid-up	10 000	10 000
Increase in statutory reserves	97 000	-
Increase in borrowings	114 904	66 423
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>221 904</b>	<b>76 423</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>69 108</b>	<b>156 164</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>728 559</b>	<b>572 395</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>797 667</b>	<b>728 559</b>

**M. Mateev**

EXECUTIVE DIRECTOR

**E. Lukanov**

EXECUTIVE DIRECTOR