

Unconsolidated statement of cash flows for the six months ending on 30 June 2007

in BGN '000

	Jan-June 2007	Jan-June 2006
<b>Net cash flow from operating activities</b>		
Net profit	19 362	11 914
<b>Adjustment for non-cash items</b>		
Impairment losses	14 133	6 317
Depreciation and amortization	5 361	4 293
Income tax expense	2 122	2 183
	<b>40 978</b>	<b>24 707</b>
<b>Change in operating assets</b>		
(Increase) in financial instruments held for trading	-10 010	-12 930
(Increase)/decrease in available for sale investments	103 296	-69 888
(Increase)/decrease in loans and advances to banks and financial institutions	19 678	-9 919
(Increase) in loans to customers	-521 846	-87 635
(Increase) in other assets	-3 236	-8 182
	<b>-412 118</b>	<b>-188 554</b>
<b>Change in operating liabilities</b>		
Increase/(decrease) in deposits from banks	-7 266	18 025
Increase in amounts owed to other depositors	160 195	59 948
Net (decrease) in other liabilities	-1 019	-2 790
	<b>151 910</b>	<b>75 183</b>
Income tax paid	-1 956	-1 872
	<b>-221 186</b>	<b>-90 536</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Cash flow from investing activities</b>		
(Purchase) of tangible fixed assets	-15 742	-15 069
(Purchase) of intangible fixed assets	-132	-261
(Acquisition)/decrease of investments	-37 682	19 347
	<b>-53 556</b>	<b>4 017</b>
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Financing activities</b>		
Increase of shareholders' equity, fully paid-up	10 000	-
Increase in statutory reserves	97 000	-
Increase in borrowings	35 655	6 747
	<b>142 655</b>	<b>6 747</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
	<b>-132 087</b>	<b>-79 772</b>
<b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-132 087</b>	<b>-79 772</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>596 472</b>	<b>492 623</b>