

To:
Financial Supervision Commission
Sofia

CC:
Bulgarian Stock Exchange
Sofia

Sofia
26 November 2014

Re: Disclosure of information

Dear Sirs,

After panic withdrawal of deposits in June 2014, on 29 June 2014 Bulgaria granted to First Investment Bank AD liquidity support in the amount of BGN 1,2 billion as a part of the “Liquidity support in favour of Bulgarian banks - Bulgaria” scheme with No SA 38994 (2014/N) approved by the European Commission. Due to the then existing restrictions concerning the State Budget, this deposit was with a short maturity term expiring on 28 November 2014. FIB repaid BGN 300 million of the deposit granted on the maturity date and Bulgaria has applied for extension of the remaining deposit of BGN 900 million by 18 months as from that date.

The European Commission has concluded that the liquidity support granted to FIB until 28 May 2016 was in line with the requirements for state aid for banks as well as with the tightened requirements of the 2013 Banking Communication.

On 12 November 2014 FIBank presented to the European Commission a restructuring liquidity plan. FIB committed to repay the liquidity on dates predefined in the plan. FIBank undertook commitments to restore liquidity, improve its corporate governance structure and risk management policies. To limit any distortions of competition brought about by the aid, FIBank also committed to several restrictions while benefiting from the support, among others that FIB will not pay out dividends, will not engage in aggressive commercial practices, nor undertake any acquisitions.

An independent trustee will monitor the implementation of the plan and provide regular reports to the European Commission.

The information is available to the public on the website of the European Commission:

http://europa.eu/rapid/press-release_IP-14-2124_bg.htm

http://europa.eu/rapid/press-release_IP-14-2124_en.htm

http://europa.eu/rapid/press-release_IP-14-2124_de.htm

http://europa.eu/rapid/press-release_IP-14-2124_fr.htm

Regards,

(signed)
Dimitar Kostov
Chair of the Managing Board
Executive Director

(signed)
Maya Oyfalosh
Member of the Managing Board
Executive Director