

**CIBANK PLC**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

*All amounts are in thousands of Bulgarian levs, unless otherwise stated.*

	<b>Notes</b>	<b>2008</b>	<b>2007</b>
<b>CASH FLOWS FROM OPERATING ACTIVITY:</b>			
Net profit		8,307	35,287
Adjustments to reconcile profit after tax to net cash flows			
<i>Non-cash:</i>			
Impairment of loans and advances to clients, net		21,659	12,312
Unrealized revaluation of financial instruments for trading		11,747	(803)
Depreciation / amortization		4,663	5,424
Impairment of available-for-sale investments		4,637	-
(Proceeds) from deferred fees on loans		(11,670)	(6,168)
Net profit from sale of fixed assets		(143)	(22,457)
Net (profit)/loss from sale of investments		(70)	(11,235)
Off-balance sheet commitments provisions		57	-
		<b>39,187</b>	<b>12,360</b>
<i>Adjustments in assets and liabilities</i>			
Decrease in funds provided to banks		52,108	285,488
Increase in loans and advances to clients		(396,506)	(406,192)
Decrease in financial assets for trading		68,077	88,741
Decrease in receivables on repo deals		-	2,220
Increase in other assets		(769)	(304)
(Decrease)/increase in deposits from banks		(1,507)	20,403
(Decrease)/increase in deposits from clients		(146,412)	512,782
(Decrease)/increase in payables on repo deals		(4,715)	7,515
(Decrease)/increase in other liabilities		(7,389)	1,926
(Decrease) in liabilities for trading		113	(4)
<b>Net cash flow from/(used in) operating activity</b>		<b>(397,813)</b>	<b>524,935</b>
<i>(continued on page 7)</i>			

These financial statements were approved for issue by a decision of the Management Board dated 26 March 2009.

The notes on pages 8 to 71 are an integral part of these financial statements.

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*(continued from page 6)*

	<b>Notes</b>	<b>2008</b>	<b>2007</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>			
(Purchase) of available-for-sale investments		(74,648)	(5,000)
Sale of available-for-sale investments		122	33,023
Sale of assets held for resale		181	176
(Purchases) of fixed assets		(8,298)	(8,406)
Sale of fixed assets		1,893	34,303
<b>Net cash flow (used in)/from investing activity</b>		<b>(80,750)</b>	<b>54,096</b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>			
Loans received		19,633	19,626
Loans repaid		-	(6,827)
<b>Net cash flows from financing activity</b>		<b>19,633</b>	<b>12,799</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(458,930)</b>	<b>591,830</b>
<b>Cash and cash equivalents on 1 January</b>	<b>30</b>	<b>624,961</b>	<b>33,131</b>
<b>Cash and cash equivalents on 31 December</b>	<b>30</b>	<b>166,031</b>	<b>624,961</b>
Additional information about the cash flows:			
Taxes paid during the period		2,979	7,906

**OPERATING CASH FLOWS RELATED TO INTEREST AND DIVIDENDS**

	<b>2008</b>	<b>2007</b>
Interest paid	59,184	53,473
Interest received	127,121	104,955
Dividends received	27	9

Frank Jansen  
/Executive Director/

Daniela Stefanova  
/Chief Accountant/

Hristina Filipova  
/Attorney-in-fact/

*These are financial statements on which we have issued an audit opinion dated 30 March 2009.*

*Ernst & Young Audit OOD*

*General Manager:*

*Registered auditor:*

*Ernst & Young Audit OOD, Specialised Audit Firm, Reg. No. 108*

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