

Chimimport AD
Interim financial statements
30 September 2006



Contents

	Page
Interim balance sheet	2
Interim income statement	4
Interim cash flow statement	5
Interim statement of changes in equity	6
Selected explanatory notes to the interim financial statements	7

Interim balance sheet

	Note	30 September 2006 BGN'000s	31 December 2005 BGN'000s
Assets			
Non-current			
Property, plant and equipment	3	22 853	13 025
Intangible assets		556	737
Investment property		1 272	1 331
Investments in subsidiaries		132 530	125 272
Investments in associates		26 911	25 103
Long-term financial assets		18 109	8 202
Long-term receivables		12 665	5 367
		214 896	179 037
Current			
Inventories		1 012	1 057
Receivables from related parties		11 893	12 973
Short-term financial assets		2 880	1 691
Loans granted		428	21 885
Trade receivables		3 845	3 329
Court receivables		146	145
Other receivables		23 992	4 089
Cash and cash equivalents		56 454	10 583
		100 650	55 752
Total assets		315 546	234 789

Prepared by: _____
Date: 30.10.2006

Manager: _____

Interim balance sheet

	Note	30 September 2006 BGN'000s	31 December 2005 BGN'000s
Equity			
Share capital	4	130 000	60 000
Unpaid capital		-	(2 082)
Additional paid-in capital		-	58 916
Premium reserve		33 252	-
Other reserves		7 376	7 596
Retained earnings		36 708	14 254
Net profit for the period		10 844	22 454
Total equity		218 180	161 138
Liabilities			
Non-current			
Long-term bank loans		4 062	4 062
Long-term trade payables		17 811	7 265
Long-term payables to related parties		12 542	-
Other long-term payables		751	-
Deferred tax liabilities		825	825
		35 991	12 152
Current			
Short-term payables to related parties		30 828	26 074
Short-term bank loans		5 618	7 759
Trade payables		3 239	15 786
Tax payables		1 372	137
Payables to employees and social security institutions		20	21
Other payables		20 298	11 722
		61 375	61 499
Total liabilities		97 366	73 651
Total equity and liabilities		315 546	234 789

Prepared by: _____
Date: 30.10.2006

Manager: _____

Interim income statement

	Note	30 September 2006 BGN'000s	30 September 2005 BGN'000s
Gains from transactions with financial instruments		71	3 841
Losses from transactions with financial instruments		(108)	(57)
Net result from transactions with financial instruments		(37)	3 784
Dividend income		-	5
Interest income		923	2
Interest expenses		(847)	(968)
Interest expenses, net		76	(966)
Gains from foreign exchange differences		743	-
Losses from foreign exchange differences		(33)	(810)
Net result from foreign exchange differences		710	(810)
Other financial income/(expenses), net		400	(13)
Operating income		14 240	9 223
Operating expenses		(3 175)	(8 910)
Operating result		11 065	313
Result for the period before tax		12 214	2 313
Tax expenses, net		(1 370)	(260)
Net result for the period		10 844	2 053

		30 September 2006 BGN	30 September 2005 BGN
Earnings per share	5	0.11	0.05

Prepared by: _____
Date: 30.10.2006

Manager: _____

Interim cash flow statement

	30 September 2006 BGN'000s	30 September 2005 BGN'000s
Cash flows from operating activities		
Cash receipts from customers	4 191	7 741
Cash paid to suppliers	(1 782)	(8 424)
Cash paid to employees and social security institutions	(206)	(175)
Taxes paid	(192)	(200)
Exchange gains/(losses) on cash and cash equivalents	23	(190)
Other payments for operating activities	(115 391)	(106 655)
Other proceeds from operating activities	126 234	109 540
Net cash used in operating activities	12 877	1 637
Investing activities		
Purchase of non-current assets	(3 480)	(172)
Proceeds from sale of non-current assets	214	292
Purchase of investments in subsidiaries, associates and other companies	(16 526)	(24 750)
Purchase of current financial assets	(3 779)	(4 656)
Proceeds from sale of current financial assets	223	8 202
Net cash used in investing activities	(23 348)	(21 084)
Financing activities		
Proceeds from issuing of shares	46 418	-
Proceeds from loans received or granted	10 921	2 500
Payments for loans received or granted	(11 075)	(6 340)
Interest paid	(732)	(1 015)
Other payments for financing activities	(133 521)	(107 188)
Other proceeds from financing activities	144 331	141 745
Net cash used in financing activities	56 342	29 702
Cash and cash equivalents at beginning of period	10 583	3 607
Net increase in cash and cash equivalents	45 871	10 255
Cash and cash equivalents at end of period	56 454	13 862

Prepared by: _____
Date: 30.10.2006

Manager: _____

Interim statement of changes in equity

All amounts presented in BGN'000s	Share Capital	Unpaid capital	Additional paid-in capital	Premium reserve	Other reserves	Retained earnings	Total equity
Balance 01 January 2005	20 000	-	37 916	-	7 612	14 303	79 831
Increase in the share capital	40 000	(2 082)	(37 916)	-	-	-	2
Net result for the period	-	-	-	-	-	2 053	2 053
Other changes in equity	-	-	-	-	(3)	3	-
Balance 30 September 2005	60 000	(2 082)	-	-	7 609	16 359	81 886
Balance 1 January 2006	60 000	(2 082)	58 916	-	7 596	36 708	161 138
Increase in the share capital	58 916	2 082	(58 916)	-	-	-	2 082
IPO shares	11 084	-	-	33 252	-	-	44 336
Net result for the period	-	-	-	-	-	10 844	10 844
Other changes in equity	-	-	-	-	(220)	-	(220)
Balance 30 September 2006	130 000	-	-	33 252	7 376	47 552	218 180

Prepared by: _____

Date: 30.10.2006

Manager: _____

Selected explanatory notes to interim financial statements

1 General information

CHIMIMPORT AD was registered as a joint-stock company at Sofia city court on 24 January 1990.

The Company is engaged in the following business activities:

- Import, export, re-export and other commercial transactions with oil and other chemical products;
- Commission, forwarding and warehousing transactions;
- Commercial agency and brokerage;
- Sale of manufactured goods;
- Acquisition, management and trade of shares in Bulgarian and foreign companies;
- Financing of companies in which interest is held;
- Tourist services.

The address of the Company's registered office is 2, St. Karadja Str., Sofia, Bulgaria.

The financial statements for the period ended 30 September 2006 were approved by the Managing Board on 30 October 2006.

2 Basis for preparation of the interim financial statements

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Company as at 31 December 2005.

Interim financial statements are presented in BGN, which is also the functional currency of the Company.

The main accounting policies of the Company have remained unchanged from those set out in the annual financial statements of the Company as at 31 December 2005.

3 Property, plant and equipment

	Land	Buildings	Machinery	Aircraft	Vehicles	Other fixed assets	Assets in process of acquisition	Total
	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s
At 1 January 2005								
Cost	200	1 435	1 027	-	260	530	13 353	16 805
Accumulated depreciation	-	(116)	(771)	-	(223)	(415)	-	(1 525)
Net book amount	200	1 319	256	-	37	115	13 353	15 280
Year ended 31 December 2005								
Opening net book amount	200	1 319	256	-	37	115	13 353	15 280
Additions	-	-	3	13 255	-	94	100	13 452
Disposals	-	(781)	-	-	(67)	(18)	(13 353)	(14 219)
Decrease in depreciation	-	54	-	-	50	18	-	122
Depreciation charge	-	(38)	(191)	(1 326)	(19)	(36)	-	(1 610)
Closing net book amount	200	554	68	11 929	1	173	100	13 025
At 31 December 2005								
Cost	200	654	1 030	13 255	193	606	100	16 038
Accumulated depreciation	-	(100)	(962)	(1 326)	(192)	(433)	-	(3 013)
Net book amount	200	554	68	11 929	1	173	100	13 025

	Land	Buildings	Machinery	Aircraft	Vehicles	Other fixed assets	Assets in process of acquisition	Total
	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s
Year ended 31 December 2006								
Opening net book amount	200	554	68	11 929	1	173	100	13 025
Additions	-	-	-	11 392	1	-	11 392	22 785
Disposals	(200)	-	(11)	-	(14)	-	(11 392)	(11 617)
Decrease in depreciation	-	-	11	-	14	-	-	25
Depreciation charge	-	(19)	(47)	(1 279)	(1)	(19)	-	(1 365)
Closing net book amount	-	535	21	22 042	1	154	100	22 853
As 30 September 2006								
Cost	-	654	1 019	24 647	180	606	100	27 206
Accumulated depreciation	-	(119)	(998)	(2 605)	(179)	(452)	-	(4 353)
Net book amount	-	535	21	22 042	1	154	100	22 853

4 Share capital

On 15 February 2006 the General Meeting of the Shareholders took the decision to increase the share capital from BGN 60 000 000 to BGN 118 916 086 and to start the procedure for transforming the company into a public company. The increase of the share capital came in force with court decision No 24 dated 10 April 2006, issued by Sofia City Court. At the General Meeting of the Shareholders on 31 March 2006 a decision to increase the share capital from BGN 118 916 086 to BGN 130 000 000 was taken. Therefore, 11 083 914 new ordinary dematerialized shares have been issued, each with par value of BGN 1 and issue price of BGN 4. The increase of the share capital has been performed by public offering of the shares. The Prospectus for the public offering has been approved by the Financial Supervision Commission with decision № 618-E dated 9 August 2006. The increase of the share capital came in force with court decision № 25 dated 29 September 2006, issued by Sofia City Court.

5 Earnings per share

The basic earnings per share is determined by dividing the net profit for the period attributable to the equity holders of Chimimport AD.

The weighted average number of outstanding shares used for basic earnings per share as well as profits attributable to shareholders is as follows:

	30 September 2006	30 September 2005
Net result for the period in BGN	10 844 000	2 053 000
Weighted average number of ordinary shares in issue	97 513 113	42 003 676
Basic earning per share (BGN per share)	0.11	0.05