Interim Condensed Financial Statements

Chimimport AD

30 September 2012

Contents

Interim condensed statement of financial position

	Notes	30.09.2012 BGN'000	31.12.2011 BGN'000	30.09.2011 BGN'000
Assets				
Non – current assets				
Property, plant and equipment	4	15 908	15 908	14 771
Investment property		31 409	31 409	10 090
Investment in subsidiaries		647 702	647 699	581 815
Investment in associates		16 773	16 773	16 773
Intangible assets		-	-	2
Long – term financial assets		108	108	19 605
Long – term related party receivables		208 459	90 136	94 935
Long – term receivables		99 090	92 115	165 199
Deferred tax assets		19	19	24
		1 019 468	**894 167**	**903 214**
Current assets				
Inventories		370	378	380
Short – term financial assets		51 097	56 440	44 778
Loans granted		145 800	112 796	89 232
Trade receivables		85 759	67 794	89 344
Short – term related party receivables		72 957	164 335	158 247
Tax receivables		116	116	132
Other receivables		5 111	4 889	5 657
Cash and cash equivalents		99 236	106 114	122 948
		460 446	**512 862**	**510 718**
Total assets		**1 479 914**	**1 407 029**	**1 413 932**

Prepared by: ______________ **Executive Director:** ______________
/A.Kerezov/ **/I. Kamenov/**

Date: 30 October 2012

Interim condensed statement of financial position (continued)

Equity and liabilities	Notes	30.09.2012	31.12.2011	30.09.2011
		BGN'000	BGN'000	BGN'000
Equity				
Share capital	5	239 646	239 646	239 646
Share premium		260 615	260 615	260 599
Other reserves		59 851	59 853	59 855
Retained earnings		461 689	368 562	368 562
Net profit for the period		53 867	93 127	60 949
Total equity		**1 075 668**	**1 021 803**	**989 611**
Liabilities				
Non – current liabilities				
Long – term dividend liabilities		57 843	56 245	67 127
Long – term bank and other loans	6	21 003	27 711	25 459
Long – term related party payables		193 773	1 364	130 247
Long - term financial lease liabilities		32	45	-
Pension and other employee obligations		66	66	50
Deferred tax liabilities		8 166	6 084	5 608
		280 883	**91 515**	**228 491**
Current liabilities				
Short – term dividend liabilities		21 071	16 770	21 622
Short – term bank loans	6	3 000	3 000	2 920
Other short – term borrowings	6	21 863	19 926	30 148
Trade payables		15 881	16 614	15 260
Financial lease liabilities		16	16	66
Pension and other party payables		107	112	108
Short – term related party payables		53 558	232 926	119 848
Tax liabilities		4 777	1 585	3 360
Other liabilities		3 090	2 762	2 498
		123 363	**293 711**	**195 830**
Total liabilities		**404 246**	**385 226**	**424 321**
Total equity and liabilities		**1 479 914**	**1 407 029**	**1 413 932**

Prepared by: ____________
/A.Kerezov/
Date: 30 October 2012

Executive Director: ____________
/I. Kamenov/

Interim condensed statement of comprehensive income

	Notes	9 months to 30.9.2012	3 months to 30.9.2012	9 months to 30.9.2011	3 months to 30.9.2011
		BGN'000	BGN'000	BGN'000	BGN'000
Gains from transactions with financial instruments		25 877	5 587	28 815	4 724
Losses from transactions with financial instruments		(33)	-	(74)	-
Net profit from transactions with financial instruments		**25 844**	5 587	**28 741**	**4 724**
Interest income		37 421	9 693	31 488	10 902
Interest expense		(22 391)	(6 977)	(22 286)	(7 560)
Net profit from interest		**15 030**	**2 716**	**9 202**	**3 342**
Gains from foreign exchange differences		2 158	793	650	568
Losses from foreign exchange differences		(2 162)	(798)	(374)	(236)
Net loss from foreign exchange differences		**(4)**	**(5)**	**276**	**332**
Other financial expenses		(33)	(7)	(51)	(28)
Other financial expenses		(33)	**(7)**	**(51)**	**(28)**
Operating revenue		22 902	529	25 252	782
Gain on sale of non-current assets		-	-	5 839	5 839
Operating expenses		(4 448)	(979)	(5 293)	(2 363)
Result from operating activities		**18 454**	(450)	**25 798**	**4 258**
Profit for the period before tax		**59 291**	**7 841**	**63 966**	**12 628**
Tax expense	7	(5 424)	(2 812)	(3 017)	59
Net profit for the period		**53 867**	**5 029**	**60 949**	**12 687**
Total comprehensive income		**53 867**	**5 029**	**60 949**	**12 687**
Earnings per share in BGN	8	**0,3570**	**0,0333**	**0,4038**	**0,0840**
Diluted earnings per share in BGN	8	**0,2469**	**0,0273**	**0,2821**	**0,0611**

Prepared by: ______________
/A.Kerezov/

Executive Director: ______________
/I. Kamenov/

Date: 30 October 2012

Interim condensed statement of changes in equity

All amounts are presented in BGN '000	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Balance at 1 January 2012	**239 646**	**260 615**	**59 853**	**461 689**	**1 021 803**
Net profit for the period, ending at 30 September 2012	-	-	-	53 867	53 867
Total comprehensive income	**-**	**-**	**-**	53 867	**53 867**
Other changes in equity	-	-	(2)	-	(2)
Balance at 30 September 2012	**239 646**	**260 615**	**59 851**	**515 556**	**1 075 668**

Prepared by: ______________
/A.Kerezov/
Date: 30 October 2012

Executive Director: ______________
/I. Kamenov/

Interim condensed statement of changes in equity (continued)

All amounts are presented in BGN '000	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Adjusted balance at 1 January 2011	**239 646**	**260 599**	**6 477**	**421 940**	**928 662**
Net profit for the period, ending at 30 September 2011	-	-	-	60 949	60 949
Total comprehensive income	-	-	-	60 949	**60 949**
Transfer of retained earnings to other reserves	-	-	53 378	(53 378)	-
Balance at 30 September 2011	**239 646**	**260 599**	**59 855**	**429 511**	**989 611**

Prepared by: ____________________
/A.Kerezov/
Date: 30 October 2012

Executive Director: ____________________
/I. Kamenov/

Interim condensed statement of cash flows

	Note	30.09.2012 BGN '000	30.09.2011 BGN '000
Operating activities			
Proceeds from short-term loans		82 822	104 473
Payments for short-term loans		(75 889)	(107 275)
Proceeds from sale of short-term financial assets		6 545	3 490
Purchase of short-term financial assets		(274)	(608)
Receipts from customers		5 181	4 428
Payments to suppliers		(5 478)	(3 857)
Interest received		14 701	15 752
Interest paid		(9 365)	(12 893)
Cash paid to employees and social security institutions		(954)	(1 969)
Taxes paid		(298)	(762)
Other (payments)/proceeds		(6 291)	24 990
Net cash flow from operating activities		**10 700**	**25 769**
Investing activities			
Purchase of property, plant and equipment		(41)	-
Acquisition of subsidiaries and associates		(3)	(21 355)
Dividends received		615	-
Repayments of long-term loans granted		5 075	10 179
Long-term loans granted		(14 708)	(7 256)
Net cash flow from investing activities		**(9 062)**	**(18 432)**
Financing activities			
Long-term loans received		65 339	31 269
Payments for long-term and bank loans received		(69 190)	(16 419)
Interest paid		(4 638)	
Discharge of finance lease liability		(16)	(1 015)
Net cash flow from financing activities		**(8 505)**	**13 835**
Net change in cash and cash equivalents		(6 867)	21 172
Cash and cash equivalents, beginning of period		**106 114**	**101 883**
Exchange gains/(losses) from cash and cash equivalents		(11)	(107)
Cash and cash equivalents, end of period		**99 236**	**122 948**

Prepared by: ____________
/A.Kerezov/

Executive Director: ____________
/I. Kamenov/

Date: 30 October 2012

Notes to the financial statements

1. Nature of operations

Chimimport AD was registered as a joint-stock company at Sofia city court on 24 January 1990. The address of the Company's registered office is 2 St. Karadja Str., Sofia, Bulgaria.

The Company is registered on the Bulgarian Stock Exchange – Sofia on 30 October 2006.

The Company is engaged in the following business activities:

- Acquisition, management and sale of shares in Bulgarian and foreign companies;
- Financing of companies in which interest is held;
- Bank services, finance, insurance and pension insurance;
- Securitization of real estate and receivables;
- Extraction of oil and natural gas;
- Construction of output capacity in the area of oil-processing industry, production of biodiesel and production of rubber items;
- Production and trading with oil and chemical products;
- Production of vegetable oil, purchasing, processing and trading with grain foods;
- Aviation transport and ground activities on servicing and repairing of aircrafts and aircraft engines;
- River and sea transport and port infrastructure;
- Commercial agency and brokerage;
- Commission, forwarding and warehouse activity.

The Company has a two-tier management structure consisting of a Supervisory Board and a Managing Board.

The members of the Supervisory Board are as follows:
Chimimport Invest AD
CCB Group EAD
Mariana Bazhdarova

The members of the Managing Board are as follows:
Alexander Kerezov
Ivo Kamenov
Marin Mitev
Nikola Mishev
Miroliub Ivanov
Tzvetan Botev

The Company is represented by its executive directors Ivo Kamenov and Marin Mitev, together and separately.

2. Basis for the preparation of the interim condensed financial statements

These interim condensed financial statements as of 30 September 2012 have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all of the information and disclosures required in annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2011, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the European Union (EU).

The interim condensed financial statements are presented in Bulgarian leva (BGN), which is also the functional currency of the Company. All amounts are presented in thousand Bulgarian leva (BGN'000) unless otherwise stated.

The Company also prepares interim condensed consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) developed and published by the International Accounting Standards Board (IASB) and approved by EU. Investments in subsidiaries are accounted for and disclosed in accordance with IAS 27 "Consolidated and Separate Financial Statements".

The interim condensed financial statements are prepared under the going concern principle.

3. Accounting policies and significant changes during the period

3.1. Overall considerations and adoption of new standards, amendments and interpretations to existing standards that are effective for the year beginning 1 January 2012

These interim condensed financial statements (the interim financial statements) have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 December 2011 except for the adoption of the following new standards, amendments and interpretations to existing standards, which are mandatory for the first time for the financial year beginning 1 January 2012 and are relevant to the Company:

- IFRS 7 "Financial Instruments: Disclosures" – Derecognition, effective from 1 July 2011, adopted by the EU on 23 November 2011;

Significant effects on current, prior or future periods arising from the first-time adoption of these new requirements in respect of presentation, recognition and measurement are described as follows:

IFRS 7 "Financial Instruments: Disclosures" – Derecognition, effective from 1 July 2011, adopted by the EU on 23 November 2011
The amendments will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial asset.

3.2. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

The following new standards, amendments and interpretations to existing standards have been issued, but are not effective for the financial year beginning 1 January 2012 and have not been early adopted:

IFRS 1 "First-time Adoption of International Financial Reporting Standards" (amended) – Government Loans, effective from 1 January 2013, not yet adopted by the EU

This amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS. It also adds an exception to the retrospective application of IFRS, which provides the same relief to first-time adopters granted to existing preparers of IFRS financial statements when the requirement was incorporated into IAS 20 in 2008.

IFRS 7 "Financial Instruments: Disclosures" – Offsetting Financial Assets and Financial Liabilities, effective from 1 January 2013, not yet adopted by the EU

The new disclosures focus on quantitative information about recognised financial instruments that are offset in the statement of financial position, as well as those recognised financial instruments that are subject to master netting or similar arrangements irrespective of whether they are offset.

IFRS 9 "Financial Instruments" effective from 1 January 2015, not yet adopted by the EU

IFRS 9 "Financial instruments" represents the first milestone in the comprehensive IASB project to replace IAS 39 "Financial instruments: Recognition and measurement" by the end of 2010. It replaces multiple measurement categories in IAS 39 with a single principle-based approach to classification. IFRS 9 requires all financial assets to be measured at either amortised cost or full fair value. Amortised cost provides decision-useful information for financial assets that are held primarily to collect cash flows that represent the payment of principal and interest. For all other financial assets, including those held for trading, fair value represents the most relevant measurement basis. IFRS 9 eliminates the need for multiple impairment models; such that only one impairment model for financial assets carried at amortised cost will be required.

IFRS 10 "Consolidated Financial Statements" effective from 1 January 2013, not yet adopted by the EU

IFRS 10 "Consolidated Financial Statements" introduces a new, principle-based definition of control which will apply to all investees to determine the scope of consolidation.

IFRS 11 "Joint Arrangements" effective from 1 January 2013, not yet adopted by the EU

IFRS 11 "Joint Arrangements" supersedes IAS 31 "Interests in Joint Ventures". It replaces IAS 31's three categories of 'jointly controlled entities', 'jointly controlled operations' and 'jointly controlled assets' with two new categories - 'joint operations' and 'joint ventures'. The option of using proportionate consolidation for joint ventures that was previously included in IAS 31 has been eliminated (equity accounting is now required for all joint ventures).

IFRS 12 "Disclosure of Interests in Other Entities" effective from 1 January 2013, not yet adopted by the EU

IFRS 12 "Disclosure of Interests in Other Entities" is a new standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other unconsolidated structured entities.

IFRS 13 "Fair Value Measurement" effective from 1 January 2013, not yet adopted by the EU

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Standard clarifies that fair value is based on a transaction taking place in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. The principal market is the market with the greatest volume and level of activity for the asset or liability.

IAS 1 "Financial Statement Presentation" – Other Comprehensive Income, effective from 1 July 2012, not yet adopted by the EU

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. Items that will not be recycled such as revaluation gains on property, plant and equipment will be presented separately from items that may be recycled in the future, such as deferred gains and losses on cash flow hedges. Entities that choose to present other comprehensive income items before tax will be required to show the amount of tax related to the two groups separately.

The title used by IAS 1 for the statement of comprehensive income has changed to 'statement of profit or loss and other comprehensive income'. However IAS 1 still permits entities to use other titles. Early adoption is permitted and full retrospective application is required.

IAS 12 "Income Taxes" – Deferred Tax, effective from 1 January 2012, not yet adopted by the EU

Currently IAS 12 "Income Taxes" requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40 "Investment Property". Hence this amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21 "Income taxes- recovery of revalued non-depreciable assets", would no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is accordingly withdrawn.

IAS 19 "Employee Benefits" effective from 1 January 2013, not yet adopted by the EU

These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. 'Actuarial gains and losses' are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income'. Remeasurements recognised in other comprehensive income will not be recycled through profit or loss in subsequent periods. The amendments should be applied retrospectively in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'.

IAS 27 "Separate Financial Statements" (Revised) effective from 1 January 2013, not yet adopted by the EU

IAS 27 "Separate Financial Statements" (Revised) will now solely address separate financial statements, the requirements for which are substantially unchanged.

IAS 28 "Investments in Associates and Joint Ventures" (Revised) effective from 1 January 2013, not yet adopted by the EU

IAS 28 "Investments in Associates and Joint Ventures" (Revised) continues to prescribe the mechanics of equity accounting. Changes to its scope have however been made as a result of the publication of IFRS 11"Joint Arrangements".

IAS 32 "Financial Instruments: Presentation" (amended) effective from 1 January 2014, not yet adopted by the EU

The amendment clarifies that the right of set-off must be available today – that is, it is not contingent on a future event. It also must be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy.

IFRIC 20 "Stripping costs in the production phase of a surface mine" effective from 1 January 2013, not yet adopted by the EU

IFRIC 20 sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities reporting under IFRS to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body.

Annual Improvements to IFRSs 2011 effective from 1 January 2013, not yet adopted by the EU

-IFRS 1 amendments clarify that a first-time adopter of IFRS may apply IFRS 1 more than once under certain circumstances. An entity can choose to adopt IAS 23 from its date of transition or from an earlier date.

-IAS 1 amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet. When an entity produces an additional balance sheet as required by IAS 8, the balance sheet should be as at the date of the beginning of the preceding period – that is, the opening position. No notes are required to support this balance sheet. When management provides additional comparative information voluntarily – for example, statement of profit and loss, balance sheet – it should present the supporting notes to these additional statements.

-IAS 16 amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment if they are used for more than one period.

-IAS 32 amendment clarifies that the treatment of income tax relating to distributions and transaction costs is in accordance with IAS 12. So, income tax related to distributions is recognized in the income statement, and income tax related to the costs of equity transactions is recognized in equity.

-IAS 34 amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements. A measure of total assets and liabilities is required for an operating segment in interim financial statements if such information is regularly provided to the chief operating decision maker and there has been a material change in those measures since the last annual financial statements.

4. Property, plant and equipment

Property, plant and equipment of the Company comprise land, buildings, machines and equipment, vehicles, assets in process of acquisition and other assets. The carrying amount can be analyzed as follows:

As at 30 September 2012

	Land	Buildings	Machines and equipment	Vehicles	Other	Assets in process of acquisition	Total
	BGN '000	**BGN '000**	**BGN '000**	**BGN '000**	**BGN '000**	**BGN '000**	**BGN '000**
Gross carrying amount							
Balance at 1 January 2012	8 178	26	131	254	1 321	6 370	16 280
Additions	-	-	41	-	1	-	42
Disposals	-	-	-	(34)	-	-	(34)
Balance as at 30 September 2012	**8 178**	**26**	**172**	**220**	**1 322**	**6 370**	**16 288**
Depreciation							
Balance at 1 January 2012	-	(17)	(118)	(184)	(53)	-	(372)
Disposals	-	-	-	34	-	-	34
Depreciation	-	(1)	(14)	(17)	(10)	-	(42)
Balance at 30 September 2012	**-**	**(18)**	**(132)**	**(167)**	**(63)**	**-**	**(380)**
Carrying amount as at 30 September 2012	**8 178**	**8**	**40**	**53**	**1 259**	**6 370**	**15 908**

- As at 31 December 2011

	Land	Buildings	Machines and equipment	Aircrafts	Vehicles	Other	Assets in process of acquisition	Total
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Gross carrying amount								
Balance at 1 January 2011	8 178	26	118	8 787	167	171	6 231	**23 678**
Additions	-	-	13	-	91	1 150	139	**1 393**
Disposals	-	-	-	(8 787)	(4)	-	-	**(8 791)**
Balance as at 31 December 2011	**8 178**	**26**	**131**	**-**	**254**	**1 321**	**6 370**	**16 280**
Depreciation								
Balance at 1 January 2011	-	(16)	(111)	(3 954)	(167)	(41)	-	**(4 289)**
Disposals	-	-	-	4 832	4	-	-	**4 836**
Depreciation	-	(1)	(7)	(878)	(21)	(12)	-	**(919)**
Balance at 31 December 2011	**-**	**(17)**	**(118)**	**-**	**(184)**	**(53)**	**-**	**(372)**
Carrying amount as at 31 December 2011	**8 178**	**9**	**13**	**-**	**70**	**1 268**	**6 370**	**15 908**

- As at to 30 September 2011

	Land	Buildings	Machines and equipment	Aircrafts	Vehicles	Other	Assets in process of acquisition	Total
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Gross carrying amount								
Balance at 1 January 2011	8 178	26	118	8 787	167	171	6 231	**23 678**
Additions	-	-	10	-	90	-	139	239
Disposals	-	-	-	(8 787)	(4)	-	-	(8 791)
Balance at 30 September 2011	**8 178**	**26**	**128**	**-**	**253**	**171**	**6 370**	**15 126**
Depreciation								
Balance at 1 January 2011	-	(16)	(111)	(3 954)	(167)	(41)	-	**(4 289)**
Disposals	-	-	-	4 625	4	-	-	4 629
Depreciation	-	(7)	(5)	(671)	(3)	(9)	-	(695)
Balance at 30 September 2011	**-**	**(23)**	**(116)**	**-**	**(166)**	**(50)**	**-**	**(355)**
Carrying amount as at 30 September 2011	**8 178**	**3**	**12**	**-**	**87**	**121**	**6 370**	**14 771**

5. Share capital

The share capital of the Company as at 30 September 2012 consists of 150 875 596 ordinary shares with a par value of BGN 1 and 88 770 671 preferred shares with a par value of BGN 1. The shares of the Company are ordinary, registered and subject to unrestricted transfers and entitle 1 voting right and liquidation quota. The preferred shares do not entitle voting rights. They give the owner the right to a cumulative guaranteed dividend and to a guaranteed liquidation quota of the Company's estate.

	Number of Shares as at 30.09.2012 BGN'000	**Number of Shares as at 30.09.2011 BGN'000**
Shares issued and fully paid:		
- beginning of the year	239 646 267	239 646 267
- decrease in preferred shares due to conversion of preferred shares	-	(16 787)
- increase in ordinary shares due to conversion of preferred shares	-	16 787
Shares issued and fully paid at the end of the period	**239 646 267**	**239 646 267**
Shares of Chimimport AD, acquired by its subsidiaries		
CCB Group EAD	(2 097 005)	(4 395 005)
ZAD Armeec AD	(463 100)	(463 100)
POAD CCB Sila	(255 070)	(255 070)
CCB AD	(84 000)	(57 000)

On 12 June 2009 the Company issued mandatory convertible preferred shares with 9% guaranteed fixed annual dividend and guaranteed liquidation quota. 89 646 283 preferred shares are issued and paid with issue value amounting to BGN 2.22 each, representing 99.61% of the offered shares. The accumulated during the public offering capital amounts to BGN 199 014 748.26. The obligatory conversion of the shares occurs at the end of the seventh year after the registration of the capital increase in the Trade register.

The accumulated on 12 June 2009 funds above the nominal value of the share capital amounting to BGN 109 369 thousand are allocated as follows:

- BGN 27 622 thousand – share premium
- BGN 8 348 thousand – short-term dividend liabilities
- BGN 70 008 thousand – long-term dividend liabilities
- BGN 3 391thousand – share issue expenses
-

The dividend liabilities and share premium, as a result of the conversion of 858 825 preference shares into ordinary shares, are allocated as follows:

- BGN 28 271 thousand – share premium
- BGN 21 071 thousand – short-term dividend liabilities
- BGN 57 843 thousand – long-term dividend liabilities

The major shareholder Chimimport Invest AD has fulfilled the undertaken obligation and inscribed preferred shares corresponding to rights. More than 51% of the new shares are inscribed by local investors including 32% by institutions.

The list of the principal shareholders, holding ordinary shares, is as follows:

	As at 30.09.2012	**As at 30.09.2012**	**As at 30.09.2011**	**As at 30.09.2011**
	Number of shares	**%**	**Number of shares**	**%**
Chimimport Invest AD	108 957 067	72.22%	108 533 269	71.94%
Other legal entities and private individuals	41 918 529	27.78%	42 342 327	28.06%
	150 875 596	**100.00%**	**150 875 596**	**100.00%**

The list of principle shareholders, holding more than 10% of the total shares (ordinary shares and preferred shares) of the Company's capital is presented as follows:

	As at 30.09.2012	**As at 30.09.2012**	**As at 30.09.2011**	**As at 30.09.2011**
	Number of shares /common stock and preferred shares/	**%**	**Number of shares /common stock and preferred shares/**	**%**
Chimimport Invest AD	179 499 349	74.90%	179 885 551	75.06%
Other legal entities and private individuals	60 146 918	25.10%	59 760 716	24.94%
	239 646 267	**100.00%**	**239 646 267**	**100.00%**

6. Financial liabilities

Borrowings include financial liabilities as follows:

	Current			Non - current		
	30 September 2012 BGN'000	31 December 2011 BGN'000	30 September 2011 BGN'000	30 September 2012 BGN'000	31 December 2011 BGN'000	30 September 2011 BGN'000
Financial liabilities measured at amortized cost:						
Bank loans	3 000	3 000	2 920	19 558	19 558	19 558
Other borrowings	21 863	19 926	30 148	1 445	8 153	5 901
Total carrying amount	**24 863**	**22 926**	**33 068**	**21 003**	**27 711**	**25 459**

6.1. Borrowings, measured at amortized cost, other than borrowings from banking activities

Changes in borrowings other than borrowings from banking activities during the period are presented as follows:

	BGN'000
For the period ended 30 September 2012	
Opening balance 1 January 2012	50 637
Received during the period	125 327
Repaid during the period	(130 098)
Closing balance 30 September 2012	**45 866**
For the period ended 30 September 2011	
Opening balance 1 January 2011	54 598
Received during the period	119 088
Repaid during the period	(115 159)
Closing balance 30 September 2011	**58 527**

7. Income tax expenses

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 2012 is 10 % (the estimated annual tax rate for the 9 months ended 31 September 2011 was 10 %).

8. Earnings per share

The basic earnings per share have been calculated using the net results attributable to shareholders of the Company as the numerator.

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

	30 September 2012	30 September 2011
Profit attributable to the shareholders (BGN)	53 867 000	60 923 000
Weighted average number of outstanding shares	150 875 596	150 891 990
Basic earnings per share (BGN per share)	**0,3570**	**0,4038**

The weighted average number of shares outstanding /ordinary and preferred, used for the calculation of diluted earnings per share as well as the net profit decreased by the dividend liabilities attributable to shareholders are as follows:

	30 September 2012	30 September 2011
Net profit in BGN, adjusted with dividend expenses	59 177 000	67 614 449
Weighted average number of shares	239 646 267	239 666 267
Diluted earnings per share (BGN per share)	**0,2469**	**0,2821**

9. Related parties transactions

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantee was given or received. Outstanding balances are usually settled through bank transfer.

9.1. Transactions with owners

	30.09.2012 BGN'000	30.09.2011 BGN'000
Sale of services, interest income and other income		
Chimimport Invest AD - owner	8 308	10 846

9.2. Transactions with subsidiaries and associates

	30.09.2012 BGN'000	30.09.2011 BGN'000
- sales of goods		
Bulchimtrade OOD	11	7
	11	**7**
- sale of non-current assets		
Chimimport Group EAD	-	1 000
	-	**1 000**
sale of services, rental income and interest income		
CCB Group EAD	2 987	2 997
CCB AD	1 990	1 912
Bulgarian Shipping Company EAD	1 845	1 760
Trans Intercar EOOD	645	624
Bulgarian Airways Group EAD	495	495
Energoproekt AD	443	410
Port Balchik AD	86	89
Konor OOD	68	63
Chimimport Group EAD	14	-
PDNG AD	13	13
Chimceltex OOD	4	4
Bulgarian River Shipping AD	4	4
POAD CCB	4	
Hemus Air AD	-	663
Rabur Trade OOD	-	5
Omega Finance OOD	1	681
Other	3	54
	8 602	**9 774**

Purchases	**30.09.2012 BGN '000**	**30.09.2011 BGN '000**
- purchase of services, goods and interest income(subsidiaries		
Chimimport Holland	10 040	9 747
Omega Finance OOD	1 658	1 208
CCB AD	1 108	44
Zarneni Hrani Bulgaria AD	523	

HGH Consult OOD	226	229
PDNG AD	206	436
Port Lesport AD	205	201
Trans Intercar EOOD	219	349
ZEAD CCB Life	185	184
ZAD Armeec	212	210
Prime Lega Consult OOD	90	
Bulgarska Petrolna Rafineriya OOD	88	85
Plovdivska Stokova Borsa AD	72	
ZOK CCB	24	35
Other	1	52
	14 857	**12 780**

9.3. Transactions with key management personnel

Key management personnel of the Company include members of the Managing board and Supervisory board. Key management personnel remuneration consists of salaries and bonuses as follows:

	30 September 2012 BGN'000	30 September 2011 BGN'000
Short-term employee benefits:		
Salaries, including bonuses	528	1 646
Social security costs	21	21
Company car allowance	6	10
Total short-term employee benefits	**555**	**1 677**

10. Post-reporting date events

No significant events have occurred between the reporting date and the date of authorization.

11. Authorization of the interim condensed financial statements

The interim condensed financial statements as of 30 September 2012 (including comparatives) were approved for issue by the managing board on 30 October 2012.