

Chimimport AD
Interim consolidated financial statements
31 December 2007



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Interim consolidated balance sheet

	Note	31.12.2007 BGN. '000s	31.12.2006 BGN. '000s
Assets			
Non-current			
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Property, plant and equipment		416 722	201 454
Investment property		22 665	10 545
Goodwill		10 822	11 403
Intangible assets		40 021	6 910
Equity accounted investments in associates		26 645	26 445
Long-term financial assets		678 061	479 185
Long-term receivables from other related parties		1 895	94
Deferred tax assets		1 359	412
		1 198 190	736 448
Current			
Inventories		72 207	27 061
Short-term financial assets		451 302	358 961
Receivables from other related parties		33 832	6 210
Trade receivables		134 109	74 032
Other receivables		99 784	62 210
Cash and cash equivalents		759 891	366 548
		1 551 125	895 022
Total Assets		2 749 315	1 631 470

Prepared by: _____

Date: 28.02.2008

Executive director: _____

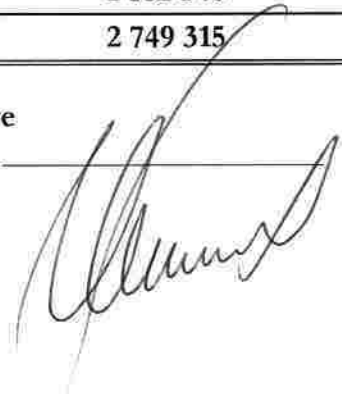
The selected explanatory notes from page 7 to page 17 are an integral part of the Interim consolidated financial statements..

Interim consolidated balance sheet

Note	31.12.2007 BGN. '000s	31.12.2006 BGN. '000s
Equity		
Equity attributable to shareholders of Chimimport AD		
Share capital	150 000	130 000
Other reserves	6 155	3 199
Share premium	232 343	32 925
Retained earnings	124 581	70 617
Net profit for the period	120 069	53 330
	633 148	290 071
Minority interest	175 425	61 033
Total equity	808 573	351 104
Specialized reserves	58 402	38 122
Liabilities		
Non-current		
Payables to secured parties	70 722	40 061
Long-term financial liabilities	937 726	337 667
Long-term payables to other related parties	67 725	7 760
Other non - current liabilities	1 830	1 024
Deferred tax liabilities	1 627	1 349
	1 079 630	387 861
Current		
Short-term financial liabilities	510 700	771 569
Payables to other related parties	82 413	1 037
Trade and other liabilities	209 597	81 777
	802 710	854 383
Total liabilities	1 882 340	1 242 244
Total equity and liabilities	2 749 315	1 631 470

Prepared by: 

Date: 28.02.2008 r.

Executive director: 

Interim consolidated income statement

	Note	31.12.2007	31.12.2006
		BGN. '000s	BGN. '000s
Income from non-financial activities		521 838	256 182
Expenses on non-financial activities		(481 648)	(227 165)
Net result from non-financial activities		40 190	29 017
Insurance income		136 191	85 475
Insurance expenses		(122 839)	(77 790)
Net insurance result		13 352	7 685
Interest income		94 457	66 938
Interest expense		(40 802)	(32 558)
Net interest income		53 655	34 380
Gains from transactions with financial instruments		198 264	68 893
Losses from transactions with financial instruments		(74 765)	(31 443)
Net result from transactions with financial instruments		123 499	37 450
Administrative costs		(103 649)	(76 786)
Income from subsidiaries		4 409	17 119
Result from equity accounted associates		1 875	519
Other financial income, net		18 221	23 638
Allocation to secured individuals		(7 860)	(6 034)
Result for the period before tax		143 692	66 988
Tax expense, net		(5 907)	(6 218)
Net result for the period		137 785	60 770

Attributable to minority interest	17 716	7 440
Attributable to shareholders of Chimimport AD	120 069	53 330

	31.12.2007	31.12.2006
	BGN	BGN
Earnings per share	6	0,90
		0,51

Prepared by: 

Executive director: 

Date: 28.02.2008 r.

The selected explanatory notes from page 7 to page 17 are an integral part of the Interim consolidated financial statements..

Interim consolidated statement of cash flows

	31.12.07	31.12.06
	BGN.	BGN.
	'000s	'000s
Cash flows from operating activities		
Proceeds from short-term loans	179 821	128 561
Payments for short-term loans	(106 828)	(122 405)
Purchase of short-term financial assets	174 592	246 357
Proceeds from sale of short-term financial assets	(283 211)	(293 297)
Cash receipts from customers	480 366	274 309
Cash paid to suppliers	(369 904)	(237 487)
Cash receipts from secured persons	27 003	12 725
Cash paid to secured persons	(3 322)	(3 242)
Cash paid to employees and social security institutions	(67 265)	(21 814)
Net cash outflow related to foreign exchange gains and losses	254	1 526
Cash receipts from banking operations	19 532 107	11 945 090
Cash paid for banking operations	(19 248 755)	(11 775 778)
Cash receipts from insurance operations	81 202	52 940
Cash paid for insurance operations	(76 303)	(40 242)
Taxes paid	(3 088)	(2 096)
Other proceeds and payments for operating activities net	(37 841)	(11 064)
Net cash used in operating activities	278 828	154 083
Cash flows from investing activities		
Proceeds from business combinations	82 996	1 705
Payments for business combinations	(1 366)	(67 837)
Sale of property, plant and equipment	61 581	4 727
Purchase of property, plant and equipment	(176 533)	(56 748)
Sale of investment property	995	-
Purchase of investment property	(2 663)	(350)
Interest income	8 664	132
Other proceeds and payments for investing activities net	(1 038)	3 556
Net cash used in investing activities	(27 364)	(114 815)
Cash flows from financing activities		
Proceeds from issuing of shares	220 018	46 418
Proceeds from loans received or repaid	121 264	140 746
Payments for loans repaid or granted	(163 365)	(95 851)
Interest paid	(3 598)	(10 480)
Discharge of finance lease liabilities	(3 001)	(1 475)
Other proceeds and payments for financing activities net	(29 439)	17 709
Net cash flows from financing activities	141 879	97 067
Net increase/(decrease) of cash and cash equivalents	393 343	136 335
Cash and cash equivalents at the beginning of the period	366 548	230 213
Cash and cash equivalents at the end of the period	759 891	366 548

Prepared by: _____

Executive Director: _____

Date: 28.02.2008

The selected explanatory notes from page 7 to page 17 are an integral part of the Interim consolidated financial statements..

Interim consolidated statement of changes in equity

All amounts presented in BGN'000s	Share Capital	Unpaid capital	Premium reserve	Additional paid-in capital	Other reserves	Retained earnings	Minority Interest	Total Equity	
Balance as at 1 January 2006	60 000	(2 082)	-	-	58 916	8 699	69 928	40 540	236 001
Installments for increase in share capital	58 916	2 082	-	(58 916)	-	-	-	2 082	
IPO	11 084	-	32 925	-	-	-	-	44 009	
Net result for the period	-	-	-	-	-	53 330	7 440	60 770	
Donations granted	-	-	-	-	(470)	-	-	(470)	
Other changes in equity	-	-	-	-	(5 030)	689	13 053	8 712	
Balance as at 31 December 2006	130 000	-	32 925	-	3 199	123 947	61 033	351 104	
Balance as at 1 January 2007	130 000	-	32 925	-	3 199	123 947	61 033	351 104	
IPO	20 000	-	199 418	-	-	-	-	219 418	
Net result for the period	-	-	-	-	-	120 069	17 716	137 785	
Business combinations	-	-	-	-	-	-	99 185	99 185	
Donations granted	-	-	-	-	(11)	-	-	(11)	
Other changes in equity	-	-	-	-	2 967	634	(2 509)	1 092	
Balance as at 31 December 2007	150 000	-	232 343	-	6 155	244 650	175 425	808 573	

Prepared by: _____
Date: 28.02.2008



Executive Director: _____



Selected explanatory notes to interim consolidated 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:

- Acquisition, management and trade of shares in Bulgarian and foreign companies;
- Financing of companies in which interest is held;
- Banking, finance, insurance and reinsurance and pension and health insurance ;
- Securitization of real estate and receivables;
- Extraction of petrol and gas;
- Building of capacity and facilities in the area of oil refining industry, production of bio fuels and materials from rubber;
- Production and trade with petroleum and chemical products;
- Buying up, processing and trading with grain and oilseed oils;
- Aviation transport and ground activities related to aircrafts maintenance and repairs
- River and maritime transport and port infrastructure;
- Commercial agency and brokerage;
- Commission, forwarding and warehousing transactions;

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

The financial statements for the period ended 31 December 2007 were approved by the Managing Board on 28 February 2008.

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 2006.

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 2006.

3 Segment reporting

For the reporting on segments the divisions of the Group are as follows:

- Production
- Trade
- Transport
- Insurance
- Banking
- Finance
- Pension funds

All inter-segment transfers are priced and carried out at market price and condition basis

Interim consolidated financial statements
31.12.2007

Business segments	Production	Trade	Transport	Insurance	Banking	Finance	Pension Fund	Consolidation	Group
31.12.2007	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s
Income from non-financial activities	112 468	59 123	390 115	-	7 921	9 528	-	(57 317)	521 838
Expenses on non-financial activities	(97 423)	(49 783)	(388 636)	-	-	-	-	54 194	(481 648)
Net result from non-financial activities	15 045	9 340	1 479	-	7 921	9 528	-	(3 123)	40 190
Insurance income	-	-	-	141 470	-	-	-	(5 279)	136 191
Insurance expenses	(28)	(5)	-	(124 666)	-	-	-	1 860	(122 839)
Net insurance result	(28)	(5)	-	16 804	-	-	-	(3 419)	13 352
Interest income	430	875	425	62	90 982	8 138	300	(6 755)	94 457
Interest expense	(1 285)	(2 179)	(6 972)	(84)	(34 099)	(2 936)	(2)	6 755	(40 802)
Net interest income	(855)	(1 304)	(6 547)	(22)	56 883	5 202	298	-	53 655
Gains from transactions with financial instruments	8 434	-	12 165	36 987	23 315	90 593	65 571	(38 801)	198 264
Losses from transactions with financial instruments	(139)	-	(10)	(18 533)	(10 413)	(6 588)	(40 213)	1 131	(74 765)
Net result from transactions with financial instruments	8 295	-	12 155	18 454	12 902	84 005	25 358	(37 670)	123 499
Administrative costs	-	-	-	(16 407)	(79 770)	(8 871)	(2 075)	3 474	(103 649)
Income from subsidiaries	-	-	-	-	-	-	-	4 409	4 409
Other financial income, net	(216)	(775)	(4 623)	(2 765)	24 643	773	1 842	(658)	18 221
Result from equity accounted associates	-	-	-	-	-	-	-	1 875	1 875
Allocation to secured individuals	-	-	-	-	-	-	(7 860)	-	(7 860)
Result for the period before tax	22 241	7 256	2 464	16 064	22 579	90 637	17 563	(35 112)	143 692
Tax expense, net	(1 686)	(656)	(322)	(298)	(2 258)	(687)	-	-	(5 907)
Net result for the period	20 555	6 600	2 142	15 766	20 321	89 950	17 563	(35 112)	137 785

Business segments	Production	Trade	Transport	Insurance	Banking	Finance	Pension Fund	Consolidation	Group
31.12.2007									
Segment assets	488 833	115 688	346 817	124 266	1 565 351	1 012 982	99 087	(1 003 709)	2 749 315
Consolidated total assets	488 833	115 688	346 817	124 266	1 565 351	1 012 982	99 087	(1 003 709)	2 749 315
Specialized reserves	-	-	-	57 453	-	-	949	-	58 402
Segment liabilities	206 170	52 564	209 948	11 156	1 353 779	263 852	71 510	(286 639)	1 882 340
Consolidated total liabilities	206 170	52 564	209 948	11 156	1 353 779	263 852	71 510	(286 639)	1 882 340

Business segments	Production		Trade Transport		Insurance		Banking		Finance		Pension Consolidation Fund		Group	
	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s	BGN '000s
Segment assets	135 740	92 891	147 484	80 127	1 131 987	439 570	49 856	(446 185)	1 631 470					
Consolidated total assets	135 740	92 891	147 484	80 127	1 131 987	439 570	49 856	(446 185)	1 631 470					
Specialized reserves	-	-	-	37 787	-	-	335	-	-	-	-	-	-	38 122
Segment liabilities	74 094	47 636	48 053	8 862	1 015 347	82 065	40 157	(73 970)	1 242 244					
Consolidated total liabilities	74 094	47 636	48 053	8 862	1 015 347	82 065	40 157	(73 970)	1 242 244					

4 Property, plant and equipment

	'000 AB.	'000 AB.	'000 AB.	'000 AB.	'000 AB.	'000 AB.	'000 AB.	'000 AB.	'000 AB.	Total
	Land	Buildings	Machines	Technical equipment	Vehicles	Other	Assets in process of acquisition			
At 1 January 2006										
Cost	23 580	47 130	31 498	37 374	13 257	20 393	9 922			183 154
Accumulated depreciation	-	(10 026)	(14 147)	(10 535)	(5 639)	(19 696)	229			(59 814)
Net book amount	23 580	37 104	17 351	26 839	7 618	697	10 151			123 340
Opening net book amount	23 580	37 104	17 351	26 839	7 618	697	10 151			123 340
Business combinations - cost	190	1 650	401	182	52 784	275	2 363			57 845
Business combinations - depreciation	-	(265)	(310)	(58)	(11 301)	(200)	-			(12 134)
Additions	6 238	11 030	8 406	15 076	2 665	2 778	34 726			80 919
Disposals - cost	(1 340)	(966)	(2 505)	(229)	(3 759)	(43)	(30 010)			(38 852)
Disposals - depreciation	-	23	2 021	220	1 587	21	-			3 872
Depreciation charge	-	(1 551)	(5 120)	(4 369)	(2 340)	(156)	-			(13 536)
Closing net book amount	28 668	47 025	20 244	37 661	47 254	3 372	17 230			201 454
As at 31 December 2006										
Cost	28 668	58 844	37 800	52 403	64 947	23 403	17 001			283 066
Accumulated depreciation	-	(11 819)	(17 556)	(14 742)	(17 693)	(20 031)	229			(81 612)
Net book amount	28 668	47 025	20 244	37 661	47 254	3 372	17 230			201 454

At 1 January 2007

Opening net book amount	28 668	47 025	20 244	37 661	47 254	3 372	17 230	201 454
Business combinations - cost	3 425	2 995	(7 359)	292	6 333	121	978	6 785
Business combinations – depreciation	-	(793)	109	760	(2 542)	(33)	-	(2 499)
Additions	56 286	60 523	17 918	28 545	28 601	1 724	62 772	256 369
Disposals – cost	(741)	(198)	(426)	(591)	(14 309)	(68)	(13 285)	(29 618)
Disposals – depreciation	-	69	417	546	1 164	65	-	2 261
Depreciation charge	-	(1 958)	(5 929)	(1 494)	(8 056)	(593)	-	(18 030)
Closing net book amount	87 638	107 663	24 974	65 719	58 445	4 588	67 695	416 722

As at 31 December 2007

Cost	87 638	122 164	47 933	80 649	85 572	25 180	67 466	516 602
Accumulated depreciation	-	(14 501)	(22 959)	(14 930)	(27 127)	(20 592)	229	(99 880)
Net book amount	87 638	107 663	24 974	65 719	58 445	4 588	67 695	416 722

5 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 No 618-E dated 9 August 2006. The increase of the share capital came in force with court decision No 25 dated 29 September 2006, issued by Sofia City Court.

On June 29th 2007 the Board of managers of the Company, came to a decision, which was confirmed also by the Supervisory council on the same date, that an increase of the funds of "Chimimport" AD from BGN 130 000 000. to BGN 150 000 000. With resolution No 1153-E from August 22nd 2007 FSC confirmed Prospectus for public supply of 20 000 000 ordinary, free, transferable shares with par of BGN 1 and value of issue BGN 11. The public supply was announced on August 22nd 2007 in two newspapers "Dyrjaven vestnik" and "Pari", the increase of the fund itself began on September 10th 2007

All of the 1,127,176 unrequited rights were bought, on the auction for the unexercised rights from the increase of the fund of "Chimimport" AD which was on October 2nd 2007

On October 17th 2007 was the final date for payment of the acquired rights. The endmost results from the increase of the fund of "Chimimport" AD are as follows:

Checked and paid - 19 999 984 shares

Acquired sum of money on the account - 219 999 824 with value of issue of BGN 11 per share with par of BGN 1.

With court decision No 28 dated 22 October 2007, issued by Sofia City Court the company increases it's share capital to BGN 149 999 964

6 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 by the weighted average number of ordinary shares.

The weighted average number of shares used for the calculation of the basic earnings per share as well as net profit, attributable to shareholders is as follows:

	31.12.2007	31.12.2006
	BGN	BGN
Profit attributable to shareholders of Chimimport AD	120 069 000	53 330 000
Weighted average number of ordinary shares in issue	133 890 408	105 434 430
Basic earning per share (BGN per share)	0,8968	0,5058

7 Post balance sheet events

From the centralized trade for unexercised rights of Chimimport AD, bought these-called rights of Industrialen Holding Bulgaria AD and Holding Nov Vek AD, giving Chimimport AD the right to subscribe as follows: 4 011 337 number of shares from Industrial Holding Bulgaria and 439 107 number of shares for Holding New century

At its meeting held on 28.01.2008/ Record No 3, the Board of Directors of BSE-Sofia has decided the following: With reference to a Decision of the Financial Supervision Commission No 122-E/23.01.2008 about registration of an additional issue of securities with the Public Companies Registry as per Art. 30 (1), item 3 of the FSCA maintained by the FSC, please be informed of the following: Within the terms of Art. 58 in relation to Art. 51 (5) & (6) of the BSE Rules and Regulations, BSE-Sofia has listed the following additional issue of shares on the official Market of Equities, "A" Segment:

- Issuer: Industrial Holding Bulgaria PLC-Sofia /IHLBL/
 - ISIN of the issue: BG1100019980
 - Amount of the issue before the increase: BGN 26,254,040
 - Amount of the increase: BGN 17,502,078
 - Total number of shares after the increase: 43,756,118 shares
 - Nominal value per share: BGN 1.00
 - Type of shares: Common, registered, dematerialised and voting
- Securities transactions of the increase will be executable as from 30.01.2008 /Wednesday/.

On 28.01.2008 BSE-Sofia has received an application for registration of an additional issue of shares to trading on the Unofficial Market of Equities, 'B' Segment as follows:

- Issuer: Holding Nov Vek AD-Sofia /HNVEK/
- ISIN: BG1100058988
- Amount of the issue before the increase: BGN 649,620
- Amount of the increase: BGN 907,589
- Volume of the issue after the increase: 1,557,209 shares
- Nominal value per share: BGN 1.00